

Also, a bill (H. R. 15647) granting an increase of pension to Mary E. Peake; to the Committee on Invalid Pensions.

By Mr. MADDEN: A bill (H. R. 15648) for the relief of Bradley Sykes; to the Committee on Claims.

By Mr. MOORES of Indiana: A bill (H. R. 15649) granting a pension to Samuel W. Farmer; to the Committee on Invalid Pensions.

By Mr. PADGETT: A bill (H. R. 15650) granting a pension to Sarah Ann Cornwell; to the Committee on Pensions.

By Mr. PELL: A bill (H. R. 15651) granting an increase of pension to Helen T. Smith; to the Committee on Pensions.

By Mr. REED of New York: A bill (H. R. 15652) granting a pension to Jennie H. Squire; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 15653) granting a pension to Nannie Merritt; to the Committee on Pensions.

Also, a bill (H. R. 15654) granting an increase of pension to William H. Martin; to the Committee on Pensions.

By Mr. STEPHENS of Ohio: A bill (H. R. 15655) for the relief of Morris Simons; to the Committee on Military Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 15656) granting a pension to Elizabeth A. Barclay; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 15657) for the relief of Daniel R. Baker; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4894. By Mr. CRAMTON: Protest of Rev. F. A. Roese, on behalf of 850 members of Zion Evangelical Church, of Mount Clemens; John Myer and 12 other citizens of Mount Clemens; and G. H. Voss and 3 other citizens of Bad Axe, all in the State of Michigan, against the presence of negro troops under French command in Germany; to the Committee on Foreign Affairs.

4895. By Mr. ELSTON: Petition of E. H. Liscum Camp urging extension of civil service to presidential appointments; to the Committee on Reform in the Civil Service.

4896. By Mr. FULLER: Petition of National Foreign Trade Council urging the full amount of money asked by Bureau of Foreign and Domestic Commerce be appropriated, viz, \$1,487,270; to the Committee on Appropriations.

4897. Also, petition of Chicago City Council favoring the metric system of weights and measures; to the Committee on Coinage, Weights, and Measures.

4898. By Mr. KELLEY of Michigan: Petition of Albert Orr and 34 other residents of Oakland County, Mich., in favor of the French "truth-in-fabric" bill; to the Committee on Interstate and Foreign Commerce.

4899. By Mr. KING: Petition of Columbia Club of Geneseo, Ill., favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4900. By Mr. MURPHY: Memorial of Woman's Club of Martins Ferry, Ohio, protesting against the "water-power act" as it now stands, and would like it amended so that it shall not apply to national parks and monuments. They desire to go on record as heartily indorsing the congressional policy of the last 48 years for preserving national parks in a state of absolute nature; to the Committee on Water Power.

4901. By Mr. NEWTON of Missouri: Petition of 44 citizens of St. Louis, Mo., protesting against the passage of House bills 12078 and 12652, introduced by Mr. Fess; to the Committee on Education.

4902. By Mr. O'CONNELL: Petition of National Foreign Trade Council, urging the appropriation of the full amount of money asked by the Bureau of Foreign and Domestic Commerce, viz, \$1,487,270; to the Committee on Appropriations.

4903. Also, petition of International Association of Machinists, urging a \$240 bonus for navy yard employees; to the Committee on Naval Affairs.

4904. Also, petition of National Lodge of Machinists, urging a bonus of \$240 for navy yard employees; to the Committee on Naval Affairs.

4905. Also, conference of mayors and other city officials of the State of New York, urging the passage of a Federal daylight-saving law to be operative between May 1 and September 30; to the Committee on Interstate and Foreign Commerce.

4906. By Mr. STEPHENS of Ohio: Protest of the Janet Chocolate Co., Cincinnati, Ohio, against the adoption by the Ways and Means Committee of the House of the recommendation of the Secretary of the Treasury in the matter of the excise tax on candy; to the Committee on Ways and Means.

SENATE.

TUESDAY, January 11, 1921.

(Legislative day of Monday, January 10, 1921.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Hale	McLean	Sherman
Beckham	Harris	McNary	Smith, Ariz.
Borah	Harrison	Moses	Smith, Md.
Brandagee	Heflin	Nelson	Smith, S. C.
Capper	Henderson	New	Smoot
Colt	Johnson, Calif.	Norris	Sutherland
Culberson	Jones, Wash.	Overman	Swanson
Curtis	Kenyon	Page	Townsend
Dillingham	Keyes	Phelan	Trammell
Fernald	King	Phipps	Underwood
Fletcher	Knox	Polindexter	Wadsworth
France	La Follette	Pomerene	Walsh, Mass.
Frelinghuysen	Lenroot	Ransdell	Walsh, Mont.
Gay	McCumber	Robinson	Williams
Gronna	McKellar	Sheppard	Wolcott

Mr. SMITH of Arizona. I wish to announce that my colleague [Mr. ASHURST] is necessarily detained on important business. I ask that this announcement may stand for the day.

Mr. HARRISON. I wish to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from South Dakota [Mr. JOHNSON], and the Senator from Missouri [Mr. REED] on account of illness.

I was also requested to announce the absence of the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. JONES], and the Senator from Nevada [Mr. PITTMAN] on official business.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present.

RESIGNATION OF SENATOR HARDING.

The VICE PRESIDENT. The Chair lays before the Senate a telegram, which will be read.

The Assistant Secretary read the telegram, as follows:

MARION, OHIO, January 10, 1921.

HON. THOMAS R. MARSHALL,
Vice President of the United States and
President of the Senate, Washington, D. C.:

I have this day sent my resignation as a Member of the United States Senate to the governor of Ohio.

WARREN G. HARDING.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on January 11, 1921, approved and signed the bill S. 3218, "An act for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero."

GOVERNMENT OF PHILIPPINE ISLANDS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the Philippines:

To the Senate and House of Representatives:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith a set of act No. 2722, passed by the Fourth Philippine Legislature during its first session, together with laws and resolutions enacted during its second session, from October 16, 1917, to February 8, 1918, inclusive; its third session, from October 16, 1918, to February 8, 1919, inclusive; its special session of 1919, from March 1, 1919, to March 8, 1919, inclusive; and by the Fifth Philippine Legislature, first special session of 1919, from July 21, 1919, to July 26, 1919, inclusive; its first session, from October 16, 1919, to February 9, 1920, inclusive; and its special session of 1920, from February 25, 1920, to March 6, 1920, inclusive.

These acts and resolutions have not previously been transmitted to Congress, and it is therefore recommended that they be printed as public documents as heretofore.

WOODROW WILSON.

THE WHITE HOUSE,
10 January, 1921.

TRANSMISSION OF ELECTORAL VOTES.

The VICE PRESIDENT. The Chair will make an announcement concerning a matter which is none of the Chair's business,

but the messengers from the various electoral colleges are bringing in the votes of the several States to the Vice President. The Chair is informed by the disbursing officer that no arrangement has been made to pay the fees provided by law for those messengers. It may be that they do not care whether or not they receive any compensation, but the Chair has a fellow feeling for those to whom any money is now due. The Chair makes that statement.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair will have noted in the Record a letter from Mr. F. W. Galbraith, jr., national commander of the American Legion, transmitting a memorial touching upon the situation which surrounds the rehabilitation of disabled ex-service men and suggesting a remedy. It will be referred to the Committee on Military Affairs.

Mr. MOSES presented a resolution adopted by the Dartmouth Scientific Association, of Dartmouth College, Hanover, N. H., in favor of the admission of scientific apparatus to the United States without a duty charge, which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by the International Farm Congress at its annual convention held in Kansas City, Mo., in favor of adequate appropriations to continue the present investigations by the Department of Agriculture of new menaces in the form of plant and animal diseases, which was referred to the Committee on Agriculture and Forestry.

Mr. SMITH of Maryland presented a petition of the State council of Maryland, Daughters of America, praying for the passage of the so-called Johnson immigration bill, being House bill 14461, which was referred to the Committee on Immigration.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 4817) for the protection of persons employed on railway baggage cars and railway express cars; to the Committee on Interstate Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 4818) to amend section 4076 of the Revised Statutes as amended; to the Committee on the Judiciary.

By Mr. HALE:

A bill (S. 4819) granting an increase of pension to Arthur L. Manchester (with accompanying papers); to the Committee on Pensions.

Mr. JONES of Washington. I introduce a bill, sent to me by the chairman of the Board of Commissioners of the District of Columbia, for proper reading and reference.

By Mr. JONES of Washington:

A bill (S. 4820) to further regulate certain public service corporations operating within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ELKINS:

A bill (S. 4821) granting an increase of pension to James Forsyth Harrison; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4822) to amend an act entitled "An act granting to the State of Kansas the abandoned Fort Hays Military Reservation, in said State, for the purpose of establishing an experiment station of the Kansas State Agricultural College and a western branch of the State Normal School thereon, and for a public park," approved March 28, 1900, as amended; to the Committee on Agriculture and Forestry.

By Mr. CALDER:

A bill (S. 4823) to amend section 1 of the act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, as amended; to the Committee on the District of Columbia.

By Mr. GAY:

A bill (S. 4824) for the relief of I. C. Johnson, jr.; to the Committee on Naval Affairs.

By Mr. JONES of Washington:

A bill (S. 4825) to extend the time for the construction of a bridge across the Columbia River, between the States of Oregon and Washington, at or within 2 miles westerly from Cascade Locks, in the State of Oregon; to the Committee on Commerce.

By Mr. NEW (for Mr. LODGE):

A bill (S. 4826) to amend section 5 of the act entitled "An act to incorporate the American National Red Cross," approved January 5, 1905; to the Committee on Foreign Relations.

EXPENSES OF PRESIDENTIAL ELECTORS.

Mr. WARREN. I ask permission to bring before the Senate a joint resolution on a rather important matter. The electoral votes for President and Vice President under the law are

brought to the Capitol and delivered to the Vice President by a committee of electors from each State, and under the law there is a certain payment of mileage, one way, I believe it is, for their services. I understand that two or three of the electors' committeemen are already here. For that matter, the time has already arrived for those reports to be delivered, although it will extend on over a week or two or more. There being no appropriation for this purpose and there being no appropriation measure before us that would pass early enough to cover the matter properly, I report a joint resolution for this purpose from the Committee on Appropriations, and I ask for its present consideration.

The joint resolution (S. J. Res. 244) providing for the payment of expenses of conveying votes of electors for President and Vice President was read the first time by its title, the second time at length, and considered as in Committee of the Whole, as follows:

Resolved, etc., That for the payment of the messengers of the respective States for conveying to the seat of government the votes of the electors of said States for President and Vice President of the United States, at the rate of 25 cents per every mile of the estimated distance by the most usual roads traveled from the place of meeting of the electors to the seat of government of the United States computed for one distance only, there is appropriated out of any money in the Treasury not otherwise appropriated the sum of \$14,000, or so much thereof as may be necessary.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT TO EMERGENCY TARIFF BILL.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to House bill 15275, the emergency tariff bill, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. SHEPPARD submitted an amendment proposing to appropriate \$356,700 for purchase of 2,000 acres of land adjoining and to the east of the present military reservation at Fort Bliss, Tex., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

FIRE IN COMMERCE DEPARTMENT BUILDING.

Mr. SMOOT. Mr. President, the morning press announces that there was a disastrous fire in the basement of the Commerce Department Building, destroying valuable census data covering many, many years past. This is the fifth fire of late in the departments of the Government. A few weeks ago I asked that an investigation be made as to the origin of the four fires which had taken place before the recent one. If reports are true, these fires were started by employees carelessly throwing down a lighted cigarette stub.

I do not know what was the origin of yesterday's fire; it is not stated in the press, and I have not had time to inquire, but it seems to me the time has arrived when there should be an order made in all the departments that while employees are at work smoking shall be prohibited.

I am going to ask for an investigation as to the cause of the fire, because the recent fire occurred in what was supposed to be a fireproof vault; in fact, just about as good a vault as we have for any of our records. I can not conceive of a fire starting in such a place unless it came from carelessness on the part of an employee, and more than likely from a lighted cigarette stub.

I might say that I think while men are in the service and working for the Government they should, at least, be prohibited from smoking during working hours.

Mr. POINDEXTER. Mr. President, in reference to the statement made by the Senator from Utah [Mr. Smoot], I desire to say that I have not examined into the circumstances of the fire to which he referred, but I notice in the headlines of the Washington Herald this statement:

Census Data of 120 Years Ruined by Fire and Water. Irreplaceable Records Stored in Basement of Commerce Building Destroyed.

In addition to the lesson which the Senator from Utah has drawn from this occurrence against the smoking of cigarettes, and his suggestion that there be a place provided by the Government where the cigarette stubs may be placed and regulations as to when smoking may be indulged in, I wish also to suggest another lesson that may be drawn from it, and that is the advisability of the Government constructing an archives building for storing its irreplaceable records that have been accumulating for 150 years.

In 1914, now more than six years ago, Congress passed an act authorizing the construction of a fireproof archives building, where the invaluable records of the various departments not

only might be stored secure from destruction by fire and water, but where they could be scientifically arranged and made available for the use of those to whom their use is valuable; but notwithstanding that authorization, under which the Government was empowered to acquire the property and to construct the building, and notwithstanding the fact that a preliminary appropriation for the drawing of plans has been made by Congress, and that the necessary appropriation has been estimated for by the Secretary of the Treasury from year to year, Congress has failed to make the appropriation; and I presume that records of several times the value of such a building, if it had been constructed within a reasonable time after Congress had authorized it—which, in my opinion, is equivalent to a direction—have been destroyed since the authorization went into effect.

I should like to call this matter to the attention of the chairman of the Committee on Appropriations of the Senate and to the attention of the Senator from Utah, who is a member of the Appropriations Committee, and I express the wish, that, in the interest of economy, in the interest of the preservation of the records of the Government, whose value to the American people can not be estimated in money, at least a preliminary appropriation be provided for the project of an archives building for the Government of the United States, which stands almost alone among the civilized Governments of the world in being without a properly equipped and modern building for the storage of its archives.

Mr. SMOOT. Mr. President, I will say to the Senator from Washington that not three weeks ago I called the attention of the Senate to this very subject matter. Not only would the erection of an archives building by the Government take care of the public records which are of such immense value to the country, but it would release space in the public buildings now occupied by such records, and would take care of all the employees who are now stationed in privately owned buildings in the District of Columbia. I repeat, that by the erection of such an archives building we would not only have a storage place which would secure the safety of the records, but we would release just that much space which could be utilized to advantage by Government employees, and thereby eliminate some of the high rent that is paid by the Government for privately owned buildings in the District.

CHAPLAINS IN PUBLIC HEALTH SERVICE.

Mr. McLEAN. Mr. President, I should like to call the attention of the Senate to several protests I have received against the action of the Secretary of the Treasury in removing the chaplains from the Public Health Service hospitals, where many wounded ex-service men are confined. I communicated these protests to the Secretary and have received a reply. It is very brief, and I should like to read it into the RECORD:

TREASURY DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, January 10, 1921.

HON. GEORGE P. McLEAN,
United States Senate.

MY DEAR SENATOR: By direction of the Secretary, I beg to acknowledge receipt of your letter of January 8, 1921, inclosing telegrams from W. B. McCarthy, Milford, Conn., and Charles E. Lockhart, commander of New Haven Post, No. 47, of the American Legion. The telegrams are returned herewith.

The department is without authority under existing law to continue the employment of chaplains in the Public Health Service. There is no appropriation from which their salaries may properly be paid. It is, therefore, with great regret that steps were taken by the department looking to the discontinuance of their service.

The work which they have done in Public Health Service hospitals in ministering to the spiritual welfare of disabled ex-service patients can not be overestimated. Their service in this respect has been splendid and in every way commendable. Unfortunately, the department is not authorized to provide for this service to its patients at the expense of the Federal Government. It is my personal belief that the churches and religious organizations of the Nation would be proud of the privilege and glad of the opportunity to continue their ministrations to these wounded and suffering veterans of the war without reimbursement by the Federal Government.

Thanking you for letting me see the two telegrams, believe me,
Sincerely, yours,

EWING LAPORTE,
Assistant Secretary of the Treasury.

In putting this letter into the RECORD, I do not mean to imply that I agree with the conclusion reached by the Secretary of the Treasury. It seems to me that the service ought to be continued, and if it is not continued by the churches that some means should be found whereby the chaplains could receive remuneration from the Government.

ATMOSPHERIC NITROGEN.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the prod-

ucts of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

Mr. GRONNA. Mr. President, the question before the Senate, as I understand, is the motion of the Senator from Wisconsin [Mr. LENROOT] to recommit the nitrate bill to the Committee on Agriculture and Forestry. The friends of the measure feel that the recommitment of the bill at this time would mean the ultimate defeat of the proposed legislation at this session.

The pending bill has been before the Senate for some considerable time and amendments have been suggested to it by many Senators. I wish to take the time of the Senate for only a few moments, and I hope I may have the attention of Senators while doing so. I wish to suggest certain amendments to the bill. I might say that I am reasonably sure that these proposed amendments, or, at least, their substance, will be adopted, providing the vote to recommit the bill does not carry.

On page 1 of the bill, line 3, I suggest that the words "Secretary of War" be stricken out and the word "President" be inserted. That would place the corporation under the absolute control of the President of the United States.

On page 3, lines 23 and 24, I propose to strike out the words "Secretary of War" wherever they are found and to insert the word "President."

The Senator from South Carolina and the Senator from Georgia have offered amendments which would come in on page 5, at the end of subsection (d), so that the consumers of fertilizer would be given the preference to purchase from the corporation.

On page 6, I suggest an amendment on line 11, after the word "act," to strike out the period and to insert a colon and the following—and to this amendment I wish to call the attention of the Senator from New York, because I know that he objects to the language now found in the bill:

Provided, That the language of this act shall not be construed so as to authorize the corporation to exercise the power of condemnation vested in the President by the act of June 3, 1916, known as the national defense act.

That, I believe, would obviate the objection of the Senator from New York.

Then, on page 7, in line 19, I propose to strike out the words "Secretary of War" and insert the word "President," and on the same page, in line 23, after the word "properties," to insert the following:

not used or needed for the purposes named herein: *Provided*, That no lease or contract shall be made for a period longer than 50 years or on terms that will prevent the cancellation of said lease or contract when it interferes with the manufacture of explosives or fertilizers.

Then strike out the remainder of the paragraph. I will read the language proposed to be stricken out. It is as follows:

In the operation, maintenance, and development of the plants purchased or acquired under this act the corporation shall be free from the limitations or restrictions imposed by the act of June 3, 1916, and shall be subject only to the limitations and restrictions of this act.

Then, on page 12, line 3, after the word "the," I propose to strike out the words "Secretary of War" and insert the word "President," and on the same page, in line 10, after the word "prescribe," to insert "*Provided*, That no officer so appointed shall receive two salaries."

There has been criticism—and, of course, justly so—in reference to the question of anyone in the employ of the Government receiving two salaries. If an officer is in the employ of the Government part of the time and in the employ of a corporation such as proposed to be created under this bill part of the time, it goes without saying that only one salary should be paid.

Mr. President, if the motion of the Senator from Wisconsin [Mr. LENROOT] does not carry—and I hope it will not carry, because I feel that this measure should be disposed of in one way or the other—I wish to repeat that I am reasonably sure that the amendments which I have suggested will be adopted, perhaps not in the form in which I have submitted them, but in an improved form.

Mr. President, we have given this question a great deal of time; it is of vast importance to the American people. It is not fair to assume that it is only a certain section of this country that is interested in this proposed legislation, for there is not a State in the Union where the farmers do not need more fertilizer than can be had at a reasonable figure to-day. To say that for the Government of the United States to manufacture a small amount of commercial fertilizer will interfere with private business is not the fact.

The State which I, in part, have the honor to represent is not using any of this commercial fertilizer to-day; but let me say to you, Senators, that if commercial fertilizer could be obtained at a reasonable price we would use it, and instead of getting

5 or 6 bushels of wheat to the acre—and that is about the yield in the spring-wheat States—that would be doubled and trebled.

Mr. President, we cultivate in the spring-wheat States in the neighborhood of 20,000,000 acres, and when you consider that some years we produce less than 200,000,000 bushels—from 180,000,000 to 225,000,000 bushels—you can readily see the tremendously low average. We cultivate in the United States some 60,000,000 acres of wheat, winter wheat and spring wheat, and when you consider this year's production of 788,000,000 or 790,000,000 bushels, you can readily see that the average of production is tremendously low.

Mr. OVERMAN. Mr. President, I am astonished to hear that the average is only 5 bushels to the acre. What was the average 20 years ago?

Mr. GRONNA. Twenty years ago it was all the way from 15 to 30 bushels to the acre.

Mr. OVERMAN. So, really, your land has been exhausted by continuous cultivation?

Mr. GRONNA. It has been, as the farmers say, worn out. It needs fertilizer; and the grain farmers need this fertilizer just as much as the people of the South need it for cotton or for the production of vegetables.

Mr. President, the farmers of the country are greatly discouraged over conditions as they exist to-day. They have very good reason to be discouraged, because in nearly every line of agriculture the farmer does not receive more than from 40 to 50 per cent of the cost of his products. That is absolutely true. You may say, "What has that to do with this question?" It has this to do with it: It costs as much to plow an acre of ground that produces 6 bushels to the acre as it does to plow one that produces 18 or 20 bushels to the acre, and you can follow that clear down the line. Instead of expending all this energy upon the farm in cultivating this tremendously large area you can cut it down to one-half and still produce more than we are producing to-day. This applies to all the products of the soil.

Mr. President, I feel that the Members of this body should have an opportunity to vote upon this question at as early a time as possible. Those who are friends of the farmer recognize that there is merit in this legislation, both from an economic standpoint and from the standpoint which I mentioned the other day, and I repeat it, that untold millions would be saved to the people of this country if we could secure this product. It is absolutely necessary. It is so necessary that in my State and in the State of the Senator from South Dakota and other States, in order to secure nitrogen from the air, some years we do not raise a crop, but give the land constant cultivation so as to give it an opportunity to get some nitrogen from the air. That, however, is an expensive method. It simply means that it takes two years to raise one crop.

I stated the other day that from my point of view I should be willing to expend a great deal of money if it were possible to minimize war. I believe that this is the beginning, and the right beginning; that the Government of the United States itself shall produce the explosives used for military purposes, because those explosives are used only for destruction, and there ought to be no profit to any individual or any corporation upon any material of that sort used to destroy human life.

Mr. President, I have conferred with men whom I believe to be good lawyers, and I have been told that if the amendments are adopted which I have suggested, but which, of course, I can not offer at this time, because a motion is pending, there could be no possibility of the corporation usurping undue power, as has been suggested by some of the Senators on this floor.

I am sure every Senator here knows that I have no interest in this measure except from the same standpoint that the other Senators have, and that is the standpoint of the common good. I ask those of you who have given this question study and those of you who have not had the time to give it the study that has been given to it by the members of the committee at least to give us an opportunity to have a vote upon these amendments and upon the bill in the Senate.

Mr. POMERENE. Mr. President, it is with very great regret that I shall be obliged to vote to recommit the bill. I have looked upon this subject with a good deal of enthusiasm. When the Senator from South Carolina [Mr. SMITH] presented his amendment which provided the original appropriation of \$20,000,000, I thought then that it was a move in the right direction, and I still think something can be done that is going to make this great water power available for humanity.

I share the opinion of the Senator from North Dakota [Mr. GRONNA] that we need more fertilizer for our farmers. The records are full of testimony as to the value of fertilizers for the production of farm products, and particularly wheat and cotton. I congratulate our friends from the South that they are using fertilizer more extensively than they did years ago, and I express very great regret that the farmers in the North-

west have not long before this learned the lesson which has been so profitable to the farmers in the South. They will learn it. They will be compelled to learn it.

The problem on the farm now is more mule and man power. The best way to get along with a given quantity of mule and man power is to increase the amount of fertilizer. No farmer who does his own work is so poor that he can not afford to buy fertilizer. If he has three men employed on his farm to do the manual work, it would be better for him to have two men on the farm and apply the expense of the third one to the purchase of fertilizer.

Mr. STANLEY. Mr. President, will the Senator yield?

Mr. POMERENE. I yield.

Mr. STANLEY. If the farmers of the West learned that lesson and used fertilizer to the same extent that they are using it, say, in Georgia, where would they get the fertilizer?

Mr. POMERENE. I will come to that in just a moment, if the Senator will permit me, in my own way.

A good deal of opposition has developed to this bill in its present form, and I want to be perfectly frank when I discuss that branch of the subject. A number of people from my own State have written me opposing this bill, and have said that we have enough fertilizer in this country now. I replied taking issue with them, as I always shall take issue with propositions such as that, by calling attention to the enormous amount of importations that we have had from Chile during the last few years.

In 1914 we imported, in round figures, 564,000 tons of Chilean nitrate of soda; in 1915 we imported 577,000 tons; in 1916 we imported 1,071,000 tons; in 1917 we imported 1,261,000 tons; in 1918 we imported 1,607,000 tons; in 1919 we imported 1,346,000 tons; and paid to the Chilean Government not only excessive prices for this nitrate of soda, but paid them their export duty as well.

Mr. SMITH of South Carolina. Mr. President, if the Senator from Ohio will allow me, it is only a part of the story, when we confine ourselves strictly to this nitrogenous product. That is almost duplicated in the importation of tankage and blood from South and Central America, particularly Argentina.

Mr. POMERENE. I thank the Senator; but I simply wanted to indicate that we are not producing as much fertilizer in this country as we ought.

Mr. SMITH of South Carolina. Yes; and my remarks were to reinforce that idea by stating that not only do these great imports come from that country but there are imports from other places.

Mr. POMERENE. Yes; I recognize that; and I take no exception to the interruption at all.

Now, some of these gentlemen come here with the proposition that we are about to produce sulphate of ammonia from the by-products of the coke ovens and that we are going to interfere with that branch of an American industry. Mr. President, I have not been able to give to this bill the attention I would like to, but I am of the opinion that when the farmers begin to understand the necessity of using a greater amount of fertilizer we will use the entire product of the coke ovens as well as of this plant which is under discussion now, and we can do it with very great profit.

But my distinguished friend the Senator from Alabama [Mr. UNDERWOOD], in his very eloquent argument of yesterday, expressed his opposition to referring this bill back to the committee, stating that that meant its death. Mr. President, there are 16 Senators on that committee. They are men who are very much interested in this subject. They have either had full hearings which satisfy their minds or they have not had full hearings. If they have had full hearings which satisfy their minds as to the course they should take, it is not going to require much time for them to present a report and give to the Senate the consensus of their views. If they have not had full hearings, then they owe it to the Senate and to the country to have full hearings, so that they can come to me with a report which I can sit down and read and study and try to come to some conclusion which will satisfy my own mind.

My good friend the junior Senator from Georgia [Mr. HARRIS] on yesterday lined up those of us who were insisting on sending this back to the committee with the fertilizer trust. He did not quite mean that; but permit me to say to him that not every one who says "Lord, Lord," shall enter the kingdom of heaven, and it is not everyone who boasts of his friendship for the farmer who is befriending the farmer. Before I vote for this bill I want to know if it is fertilizer I am handing to the farmer or a gold brick; and in the present state of my mind I do not know whether it is fertilizer or a gold brick the Senate is about to hand to the farmer.

Mr. President, originally twenty millions of money was enough for this plant. I find, as a matter of fact, that up to date nearly one hundred millions have been expended, and now this

bill seeks to appropriate \$12,500,000 more to provide some additions to the plant whereby they can manufacture sulphate of ammonia.

But it has developed during the debate that the fertilizer at this plant can only be profitably produced by the aid of the water power, and I find that they have developed a steam plant there now with 120,000 horsepower, which is only to be used in emergency, so it was said in the first place, when the water power was low. But now the plan which is contemplated is that we shall make this fertilizer by steam power, at least until the dam is completed. In other words, the friends of this measure want us to produce sulphate of ammonia at a loss for two or three years, until the water power can be completed, and we are told that the estimates of the department are that it will cost \$43,000,000 to complete this water-power scheme.

If we are to spend twelve million and a half ultimately for emergency purposes and are to operate this plant by steam power at a loss for three years, I prefer to vote for the forty-three million now with which to complete the dam.

Mr. STANLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. POMERENE. I yield.

Mr. STANLEY. The statement has been made repeatedly that it was developed at the hearings that sulphate of ammonia would be produced at a loss by steam power. Expert after expert has given in these same hearings, which I am sure the Senator from Ohio has overlooked, detailed statements of the cost of producing sulphate of ammonia by steam, including the royalties and every other detail, and all of them except Mr. Washburn, who has a direct interest, put it at \$58, and a ton of sulphate of ammonia is now worth \$70.

Mr. POMERENE. Mr. President, I recognize that there is more confusion in that record than there was confusion of tongues at the Tower of Babel, and I would like to have the committee interpret it, so that we may know what the truth is.

Mr. KING. Mr. President, as I read the record, it is conceded by the proponents of the measure, at least some of them, that \$3,000,000 of this \$12,500,000 is available for, and it is expected it will be used to meet, the losses incident to the operation of the plant until water power is generated.

Mr. POMERENE. I want to say that if the estimate of the cost which has been given by these experts is no more reliable than the estimates of the cost of the construction of the plant, then there is no confidence to be placed in anything they may say.

Mr. President, in going over this record last night I found that some of the experts of the War Department are of the opinion that cyanamid is a good fertilizer in its, shall I say, raw state. Others say not. The Secretary of War himself says he went to the plant and found that they had planted certain plats of ground, on one of which they used cyanamid as a fertilizer, on another sulphate of ammonia, and on another some other fertilizer, the name of which escapes me at this minute; and he expressed the opinion that while that plat on which the cyanamid was used was better than the plat on which there was no fertilizer used, it was not nearly so good as the plats on which other fertilizers were used. So that we are confronted in the first instance with a question from the Secretary of War as to the profitability of this kind of fertilizer.

But let us go on further with this, and see what the situation is. Already there is the investment of a hundred million dollars. Under the bill as it was presented here and reported out by the committee they do not provide for any capital stock to represent this investment, but they say that the stock shall be no-par stock, and not a word is said as to the number of shares of this no-par stock which shall represent the value of this plant. I have not heard anyone say what this plant would cost if we were to attempt to rebuild it now from the ground up. I do not know what that investment is.

Mr. KING. Mr. President, there is testimony in the record to the effect that this plant now could be produced for substantially \$15,000,000. I have not any doubt in the world that this plant, and perhaps a better one, within the next year or two can be reproduced for that amount.

Mr. POMERENE. Mr. President, I understand Mr. Washburn's company built this plant, and the Government paid him a million dollars. It is fair to say that he called attention to the fact that he must pay out of that the Federal tax, and that they would not have very much left. But he built it, none the less. Before that there was a smaller plant built in which they used the Haber process, costing three or four million dollars. It was built for experimental purposes. Mr. Washburn built the cyanamid mill No. 2. It was the one which was going to use his process.

Mr. President, a question has been raised as to the relative value of these two processes. The Senator from Kentucky [Mr. STANLEY] is clearly of the opinion that the cyanamid process is the best, and the reason he gives for that, in part, is this: There are more cyanamid mills than there are Haber process mills.

The Senator from New York [Mr. WADSWORTH] says that there is a large company in his own State which uses the Haber process, and, as they are investing their own dollars, it may be assumed that they have confidence in their project.

Mr. Washburn says that, while he used the cyanamid process, he has come to the conclusion now that he can not make cyanamid and compete with the by-products which come from the by-product coke ovens.

I do not say that is true; I do not know whether that is true or not. But I would not invest a hundred dollars of my own money in a proposition of this kind unless I knew something about it, and I dare say that there is no Senator on this floor who would invest his own money in a proposition of this kind with the present state of the record.

Mr. President, a lot of these fertilizer companies come with their representatives and say, "You must not interfere with private enterprise; it is wrong." They are asking us as the representatives of the people to scrap a hundred million dollar plant; for whose benefit? For their own. It seems to me they would be ashamed to come here with a proposition of that kind, I am willing to receive light from all sources, but what I want is light. I want to know whether, when we build this fertilizer plant, we are giving the farmer a pig in a poke. I do not know that. I have not yet had it demonstrated, at least to my satisfaction, that anyone knows very definitely.

More than that, last night in going over the record I was a good deal interested in some statements made by Mr. Washburn. Bear in mind, please, that he built the cyanamid plant, but he tells us that while the Government has the privilege under the contract to make the nitrates for explosive purposes, it has no right at all to make the nitrate for fertilizer purposes. In the first place, he says that the Air Nitrates Corporation have a right under their contract to buy the plant. On page 121 he says that they have the right to buy the plant under as favorable terms—and this is the exact language—"as the Government is willing to accept for it." Later on he says:

The Government acknowledges the ownership of the patents by the American Cyanamid Co., and that company licenses the operation of the plants, under specific patents indicated by number, date, and title. The company's patents covering the manufacture and use of cyanamid fertilizer, phosphoric acid, or any of its processes, including the electric furnace phosphate process and ammonium phosphate, are not included in those for which rights are given.

Further on he says:

Sixth and the last thing. The American Cyanamid Co. is to receive royalties at the one rate before the 1st of June, 1921, and at another rate afterwards; it is to receive a royalty per unit of nitrogen produced of six-tenths of 1 cent per pound of nitrogen to June 1, 1921, and 1½ cents thereafter; but should either party become dissatisfied after the 1st of June, 1921, with the 1½ cents fixed he may appeal to arbitration.

I have already related to you the nature of the negotiations, and that I believed it to be the purpose of the negotiators on the part of the Government to go just as far as they could to save these great plants becoming the engines of our own destruction. And when you consider the bald fact that as we stand here to-day everything we received from the Government has profited us nothing—and of that we do not complain; that is as we wanted it. I have letters here addressed to the Government showing that we did not want any profit; but we did want protection after the war was over. And now the Government itself proposes to go into competition with us, and whatever the incentive, it is suggested by the gentlemen who have charge of this that they shall make cyanamid and sell it to our customers.

I shall not take the time to read the rest of it, but the American Cyanamid Co. are clearly taking the position that the Government does not have the right to make cyanamid for fertilizer purposes under its contract.

Mr. WOLCOTT. Mr. President—

The PRESIDING OFFICER (Mr. JOHNSON of California in the chair). Does the Senator from Ohio yield to the Senator from Delaware?

Mr. POMERENE. Certainly.

Mr. WOLCOTT. I did not hear all of what the Senator read. Is the position of the American Cyanamid Co. predicated on the terms of the contract entered into?

Mr. POMERENE. Yes; on the terms of the contract.

Mr. WOLCOTT. I would call this to the Senator's attention, bearing on the same subject: I have a recollection, which is somewhat distinct, that it appears somewhere in the hearings that the same witness, Washburn, testified that the Government did not have a right to manufacture cyanamid for fertilizer purposes for another reason, which is that the process used in that plant is bottomed on patents and patent rights owned by the American Cyanamid Co., which have been assigned or licensed to the Government only for the manufacture of nitrate for military purposes, and for the Government to go beyond

that purpose in the manufacture for fertilizer purposes would be practically a confiscation of their patent rights. I think there is some such testimony.

Mr. POMERENE. I have not had the time to read all of the testimony, but in the part which I have read I gained something of the same impression as the Senator from Delaware.

I have called the attention of the Senate to these facts to indicate the uncertain state of the record. I do not think the Senate is desirous of passing legislation of this kind, making an appropriation of a large amount, until we know what our rights are under the contract and under the patent. It seems to me we should also know the present state of the art. It seems to me that if the process can not be used profitably the Government should not take up the process. I am not sure that it can not be used profitably. I am not content with Washburn's testimony. I am told, though I have not read that part of the record, that in one place at one time he said that the sulphate of ammonia could be produced at \$17 a ton and at another time he said \$70 a ton. When he is asked by the distinguished chairman of the committee as to the value of the plant, he says, with regard to the child of his own brain and his own hand, that it could not be sold at any price.

I was delighted to know that the Congress of the United States had taken steps to harness up the water power that has been going to waste all these years. I want it for the benefit of the community, for the benefit of humanity, but in view of the record of the building of this plant I want some definite information about it. It is the duty of the committee, it seems to me, to give us that information, or at least the benefit of the consensus of their views.

Mr. POINDEXTER. Mr. President—

Mr. POMERENE. I yield to the Senator from Washington.

Mr. POINDEXTER. I understand the Senator to say that Mr. Washburn, who constructed the plant, had said that it could not be sold at any price.

Mr. POMERENE. That is the statement made by the distinguished chairman of the Committee on Agriculture and Forestry.

Mr. POINDEXTER. That would tend, then, to indicate that it was of no value to anyone; otherwise, I assume that some one would be willing to pay its value.

Mr. POMERENE. The construction I have placed upon the statement is that would be true if it came from an unbiased witness.

Mr. GRONNA. Mr. President—

Mr. POINDEXTER. I am not informed sufficiently to weigh the value of this testimony. I am just taking it for what it is worth. I should like to ask the Senator from Ohio, if the Senator from North Dakota will pardon me just a moment, if the testimony is reliable and valuable and we assume here that the plant is of no value to anyone as shown by the fact that no one is willing to pay anything for it, how can the Government make anything out of it? How is it of value to the Government if it is of no value to anyone else?

Mr. POMERENE. The Senator's question is just the identical question that has been in my mind. I want the judgment of the committee upon that proposition, among others.

Mr. GRONNA. Mr. President—

Mr. POMERENE. I yield to the Senator from North Dakota. Mr. GRONNA. I have tried to be fair with those who opposed the bill before the committee. I wish to say that Mr. Washburn stated most emphatically that this was a very valuable plant, a complete plant—I think that is his exact language—but that it could not be sold, as the Senator from Ohio stated, for anything at this particular time. The report of the committee which examined the plant shows, and the same committee visited all the European countries and made the report, that nowhere could a more complete plant be found than the No. 2 plant built by the Air Nitrates Corporation or by Mr. Washburn.

Mr. POMERENE. I think the chairman has pretty accurately stated the testimony in that behalf. I wish it distinctly understood that it is not in a spirit of opposition to the plant that I am going to support the motion to recommit, but it is because I feel that the American people are entitled to exact information upon the subject before we go further.

I have little sympathy with those criticisms which point to sectionalism in the location of the plant. In my judgment, with the information I now have, it is the best possible location in the United States. I would like if the matter could be so arranged, under some scheme, after a careful study by the committee, as to have the work go on with the hope that we can salvage at least a part of the money we now have in the plant and turn it to use on the part of the farming community. That is all I care to say.

Mr. SMOOT. Mr. President, I had expected to speak at length on the pending bill, but I know that the Senate would like to vote to-day upon the motion to recommit it to the Committee on Agriculture and Forestry, and I sincerely hope that that will be done. The discussion has already disclosed the fact that the pending measure is not a fertilizer bill. Since I have been a Member of the Senate I have never seen a measure in connection with which there has been so much camouflage as there has been in reference to the pending bill. It is a water-power bill pure and simple, and I think, if I desired to take the time of the Senate now—and if the bill is not recommitment I may do so later—I could prove beyond a doubt that that is the fact. If the Senate wishes to appropriate \$140,000,000 in order to develop water power at Muscle Shoals, that is one question; but do not let the proposition be based on the representation that the main reason for such action is that it is going to make fertilizer cheap for the farmer. There is nothing in that contention, Senators.

When we vote for the bill we shall simply vote for the establishment of water power at Muscle Shoals, and that water power will either be leased by the Government of the United States to private individuals, or else the Government of the United States will lose not only what money it has put into the project but whatever appropriation it intends to make for the purpose under the provisions of the pending bill.

Mr. FLETCHER. If I may ask the Senator from Utah a question, I desire to ask whether in the development of water power the improvement of the navigation of the river would not be a part of the scheme?

Mr. SMOOT. The question is far-fetched. Navigation is such an unrelated matter that it ought not even to be mentioned in this connection. As a matter of fact, it would be impossible to get any engineer to consider that subject as bearing upon the bill.

Mr. SMITH of South Carolina. May I ask the Senator from Utah a question?

Mr. SMOOT. Let me answer the question of the Senator from Florida, and then I will yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. Very well.

Mr. SMOOT. I have here a letter from Mr. Hugh L. Cooper bearing on this question. I take it for granted that there is no Senator who will say that Mr. Cooper is not qualified to speak in reference to this matter and to estimate what this project is going to cost; and having been interested, as he has been for years past, in this very project, I think his testimony ought to be taken with due consideration. The only question that arises with him or which he thinks ought to be considered at all is, Would it be better to lose the money which we have already invested in the project—which I will frankly say he does not believe we should do—or to make the appropriation of some \$26,000,000 to complete the water-power dam, and then for the United States to lease the project and perhaps, by following that plan, be able to make 5 per cent upon its investment? This is not the time for the Government of the United States to invest its money upon a project on which it is liable to lose most of it, as has been stated by the proponents of the pending bill, if the work is not continued, and under the very best of circumstances for it to receive only 5 per cent upon its investment.

I know that Senators wish to take the vote upon the pending motion, and I am not going to discuss this question at length, because I should prefer that the vote be taken at this time.

Mr. SMITH of South Carolina. Mr. President, I wish to ask the Senator from Utah if in the cool and dispassionate manner in which he is proceeding he means to indict not only the officials of the War Department and the Agricultural Department but Senators who are advocating the passage of the proposed legislation as being so hopelessly stupid and so hopelessly incompetent to understand a certain proposal that they have become the puppets and tools of designing individuals who propose to develop the water power at Muscle Shoals and to use it for their advantage, and are not able to detect what is so manifest to the Senator from Utah?

I do not think the Senator from Utah wishes to stand here and seriously imply that his colleagues on the floor who are interested in the measure and that two departments of the Government which are advocating it are stupid, to put the best construction on his statement; and worse than stupid, to put the other construction on it.

Mr. SMOOT. The Senator from South Carolina may put any construction he desires upon my statement. I think if the Senator had listened to the testimony, as I think he did, and as I have studied it—or if any Senator will read the testimony which was given, even that of the Secretary of War, he will

come to the same conclusion that I have unless he desires that the Government of the United States go into the project for the purpose of developing water power at Muscle Shoals.

Mr. SMITH of South Carolina. Mr. President, the Senator from Utah does not mean to state at all that I sat and heard the Secretary of War and came to the conclusion that he was camouflaging the situation in order to develop water power at Muscle Shoals. The development of water power is to be desired, because, in the last analysis, it is the cheapest form of energy that can be used for the production of a very necessary ingredient for fertilizer. It was stated and reiterated—

Mr. SMOOT. If the Senator will allow me now to conclude, I desire to say I have heard the Senator make that statement a good many times.

Mr. SMITH of South Carolina. The Senator from Utah never heard me make the statement before, and I am surprised that he should stand here and attempt, as has been done all the time in this Congress, to discredit the various officials in whom we have under the law got to place confidence. It is a wonder that the public do not repudiate our Government and seek another form of government if those we put in charge of our affairs are half so mean as some of us seem to think.

Mr. SMOOT. Mr. President, I think the people of the United States did repudiate the present administration. I think there is no question of doubt that if we spend \$140,000,000 or \$169,000,000, if the project shall be completed according to the estimates that have already been submitted to Congress, that there will never be any product manufactured there. Even if the fertilizer plant about which Senators are talking be built, there will never be a product manufactured there which will go directly to the farmer to be used. I know the Senator from South Carolina said the other day that he had used a part of the products that would be manufactured by the plant, but no one can find anything in the entire testimony to the effect that they are going to produce an article such as that to which the Senator from South Carolina referred.

Mr. SMITH of South Carolina. If the Senator will allow me, that is the basic element which they have to produce in order to get the explosive ingredient. The product of the first process is the one which is available to the farmer.

Mr. SMOOT. Mr. President, what is produced at the Muscle Shoals plant will go not to the farmer at all, but to the fertilizer manufacturer. A very small part of the product will be put into fertilizer, and it will make no difference in price whatever to the farmer. I have no patience with all this camouflage about the farmer. Let us get right down to what this measure means, and if we are going to put the Government's money into the Muscle Shoals project let us know what the result is going to be, and, then, if the Congress of the United States says that they want to spend \$169,000,000 on it, let the American people know that Congress did it, and let those who vote for it take the responsibility.

I am not at this time going into the details of the bill, as the Senator from New York [Mr. WADSWORTH] and the Senator from Wisconsin [Mr. LEXROOT] have done, but I indorse every word which has been uttered by those Senators. I say that a reading of the bill can not result in any other impression than has been pointed out by them; no other construction can be placed upon the bill. I hope and trust that at least we will give the committee another chance to draw the bill in such form that if it shall become a law we will know something about what the cost will be to the Government and what is to be accomplished or intended to be accomplished by its passage.

Mr. KENYON. Mr. President, as I am a member of the Agriculture Committee but feel I must vote to recommit the bill, I desire to say a few words in explanation of my attitude. I hesitate so to vote more on account of the position of the chairman of the Committee on Agriculture and Forestry [Mr. GRONNA] than for any other reason, because I do not like to be out of accord with him.

He has given the subject a great deal of consideration and is earnestly in favor of everything that will benefit the farmers of the country. I believe it will be a great loss to the people of the United States when the Senator from North Dakota retires from this body in a few months, and I hope the committee, if the bill is recommitted, may be able to work out the problem before he leaves the Senate.

This bill has troubled me very much. I have not been able to find any member of the committee who was present when the bill was voted out. I think possibly the Senator from South Carolina [Mr. SMITH] may have been present, and one or two other Senators, but I am perfectly well satisfied that the Agricultural Committee did not give to this bill the consideration which they should have accorded it. I do not say that in any

spirit of criticism. I myself was compelled to be away from the committee at the time on account of other duties in connection with other committees, and other Senators were similarly situated. When I vote to recommit the bill I do not vote against the principle of the bill. I am not frightened at all by the Government undertaking to go into some particular line of business if it may be essential to break a monopoly or essential for the general welfare, although I do not indorse the proposition as a general thing of the Government going into business; but if this measure would help to smash the Fertilizer Trust, that consideration would be very persuasive with me. However, I do not believe it will have that effect. If it would be helpful to the farmers, that would be more persuasive; but I am inclined to think that the farmers will have no benefit whatever from this bill, especially in its present form.

The high point in reference to this matter is struck by the Senator from North Dakota [Mr. GRONNA] in his proposition that there should be no profit to private industry in the manufacture of munitions of war. I will join on the committee with Senators who want to work out that kind of a proposition, that will embrace of necessity this plant at Muscle Shoals, and should provide for other plants, so that the Government will be the sole manufacturer of munitions of war. I believe that if that were true it would tend to decrease war, and I believe that the Senator from North Dakota in getting away from the fertilizer proposition and navigation has struck the real note in this matter.

But I confess to a good deal of suspicion about any bill that originates around Muscle Shoals. I do not mean that now as to Senators, but the proposition has been fraught with fraud and graft and corruption ever since the initiation of the movement at Muscle Shoals. I fought it then. There were only a few Senators who were opposed to it. It seemed to me a wrongful expenditure of public money. Now, we have come on down through these years, and anyone who reads the Graham report—and I have never seen it denied very much—will have to agree that for graft and fraud Hog Island is a piker compared to Muscle Shoals.

We have spent in this country I think a little over \$100,000,000 in reclaiming some 3,000,000 acres of land, and that money will come back; and here we are with this proposition expending \$100,000,000 and getting nothing. The record is a shameful record.

I realize that in this wider view, in this wider project of trying to work out something in the making of munitions of war by the Government, it probably will be necessary to take into consideration the plant at Muscle Shoals. It is probably a great water power, and I am not at all averse to doing that; but here are the cyanamid interests, and the Alabama Power Co., and all these other interests around Muscle Shoals that arouse one's suspicion. Talk about a lobby, as the Senator from Alabama does! There certainly has been a lobby here ever since I can remember for the Alabama Power Co., the Muscle Shoals, and possibly the cyanamid company. The senior Senator from Massachusetts [Mr. LODGE] back in 1916 placed in the RECORD, at page 5643 of the RECORD of April 7, the different companies associated together in these matters. We find Mr. Washburn and Mr. Worthington in many of these companies. We find the Dukes in these companies, in whose hands a good many people suspect this plant will finally wind up.

The Senator from Alabama talks about lobbying. I agree with him about that. I am suspicious of the articles that we are receiving from New York against this proposition—"Muscle Shoals facts," sent out by the Press Service Co., of New York, in different installments. I have written to the Press Service Co. to know who is paying for this. I should like to know where that end of the lobbying is. There is a lobby on all sides.

The remark of the Senator from Alabama yesterday concerning these lobbies I think is worthy of a good deal of consideration. I do not know where this lobbying business is going to stop. There are proper kinds of lobbies. Nobody wants Congress to be shut off here on the hill and have people unable to get to Congress; but it is reaching a point nowadays where Washington is swarming with lobbies of every kind and description—some good lobbies and some bad lobbies. You can not go to your office, you can not get through the corridors anywhere, without having some of these lobbyists talking to you about bills in Congress.

I am not particularly objecting to that if it is known just exactly what these lobbyists are and who they represent. There has been testimony before committees of social lobbies in the city of Washington, of gentlemen receiving funds from great interests to use in social lobbying. You can pick up the papers every day and read of dinners and dances and balls given by

the Lord knows whom—a favorite form of lobbying in the city of Washington. The records of our Agricultural Committee in a certain investigation show that very thing. I do not know that there is any way of stopping that kind of a lobby; but there is existing now in the city of Washington, and it is going to grow, lobbying of certain kinds in lumber interests, oil interests, and other big interests; men go out of the Senate and men go out of the House and join up with these lobbies. There is going to be more of it in the days to come. The "general practice" of law in Washington is coming to be synonymous with "general lobbying."

I have in my hand a list of gentlemen, some of whom are ex-Members of Congress and ex-officials of the Government, here in Washington in the interest of oil, lumber, and other questions before the departments. That is a lobby that is growing. I believe that in order to carry on legislation here in the months to come we ought to have some kind of a law with relation to lobbying. Kansas has that kind of a law, and I think a number of other States have laws requiring the registration of lobbyists, a statement of just whom the lobbyists represent, and the fees that are paid them. Nobody ought to object to that. Then when they come before a committee, when they meet you in the halls, they meet you on your way home, they sit next to you on the street car and try to talk to you about bills, you know who they are and what they represent.

Mr. WALSH of Massachusetts. Mr. President—
The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Iowa yield to the Senator from Massachusetts?

Mr. KENYON. I do.

Mr. WALSH of Massachusetts. Will the Senator please inform me whether or not there has been any effort made in Congress in recent years to establish a plan for the registration of lobbyists?

Mr. KENYON. I introduced a bill on that subject some years ago, but I will say to the Senator that it was a matter of derision. It never got very far.

Mr. WALSH of Massachusetts. Is it not a fact that nearly all State governments, especially the governments of the States that are considered progressive, have registration laws for lobbyists?

Mr. KENYON. I know that very many of them do. Does the Senator see any objection to a law of that kind?

Mr. WALSH of Massachusetts. I personally think it is a very unfortunate state of affairs to have the legislative branch of the United States Government without rules and provisions restricting and limiting the presence of lobbyists, compelling the registration of lobbyists, and making public the interests and special causes that they represent and the amount of fees or money collected and paid out by those interested in legislation, and I am surprised that some serious effort has not been made in the past to prevent the activities of lobbyists in and about Congress by at least a registration act.

While I am on my feet I want to say that I was much interested in hearing the Senator state that recently there has been a decided increase in the presence in Washington of gentlemen connected with lobbies. I hope it is not due to the fact that it is expected that during the next administration there will be more favorable opportunity for obtaining special-interest legislation than in the past. In any event, it is true, too true, that the discussion of tariff measures and of reforms in taxation laws has led to a stream of new arrivals in Washington to lobby for special legislation here. If some action is not taken we are going to be very much handicapped and embarrassed in doing our work here purely in the public interest during the next session of Congress.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Carolina?

Mr. KENYON. I do.

Mr. OVERMAN. I think the Senator from Iowa introduced a bill on this subject, and I did also; and I will say to the Senator from Massachusetts that my bill was based largely upon the law of Massachusetts, which I think is a very good one. I think the Senator and I had better introduce our bills again, and perhaps they will receive consideration by the committee next time.

Mr. WALSH of Massachusetts. The registration law in Massachusetts was adopted during my public service in that State, and I must say that it has had a very wholesome effect upon ridding the halls of the legislature of the activities of undesirable lobbyists. It is a law that is very well lived up to, and it has had a tendency to help the dispatch of public business, and to have the lobbying that is necessary and important and proper carried on in an open and legitimate way.

Mr. KENYON. Of course, there is a lobbying that is perfectly legitimate and perfectly proper. Members of Congress do not want to keep themselves away from getting all information that is essential; but certainly there can be no valid objection to something that will let us know who the people are that are doing the lobbying, whom they represent, and what they are receiving in the way of fees. I have been informed on evidence that I think reliable that one institution here in Washington doing a lobbying business is paying out as much as \$250,000 a year in fees. It would be interesting, when some one came from that organization or association to speak to Members of Congress on legislation, to know whether they were just interested pro bono publico or whether they were influenced by good-sized fees.

I noticed some time ago, when the Agricultural Committee was considering a bill where this water-power proposition at Muscle Shoals crept in, that Mr. Washburn always seemed to be very handy, and was always dropping in to advise the committee about it.

So apparently in this matter, as the Senator from Alabama suggests, there has been lobbying against the proposition, and my suspicion is aroused as to where that lobbying is coming from, as to whether it is coming from private interests who do not desire the Government to go into this business for fear it may hurt them. I would like to know about that. But the whole situation is to me so muddy, and has not received that consideration which it should have before the committee, that I am going to vote to return it to the committee. That does not indicate that on the final analysis of this matter I might not be for the principle of this bill. I will be for a proposition along the lines suggested by the Senator from North Dakota, which will work out some large, broad plan to take away from private industry the profits of munition making, and I hope that something of good may come to the farmer. But as far as this bill is concerned, I am strongly of the opinion that it is a gold brick for the farmer.

Mr. HARRIS. I would like to ask the Senator a question. I know he is one of the very best public men in the United States, and anxious to do anything he can for agriculture. Why should the fertilizer trust of the United States be so opposed to this? If this measure would not help the farmer, why should they be opposing it?

Mr. KENYON. I am not certain they are; but if they are, that is a very suspicious circumstance. The only time I could be present at the meeting of the committee was when Mr. Washburn was on the stand. Mr. Washburn had been before the committee originally urging the Muscle Shoals proposition. He was here this time fighting it. The Senator will find in the record that I asked him why he was doing it, as I could not understand his position at the time.

I do not see anything in this bill, however, I will say to the Senator, which prevents the trust getting the production, and I am afraid that is exactly what it will do. It will be a bunco game to the farmer. This bill must be changed in many respects before I can bring myself to vote for it.

Mr. HARRIS. Mr. President, I have an amendment to offer which does take care of the farmer, and requires the fertilizer manufacturers who buy this product to sell it at a reasonable price to the farmers.

Mr. UNDERWOOD. Mr. President, I do not intend to detain the Senate with another speech. I made one yesterday and said all I have to say about this matter. It is mighty easy to give a dog a bad name, and let it follow him through life, and I rise now to call to the attention of the Senator who has just taken his seat [Mr. KENYON] a few facts in reference to Muscle Shoals.

For more than a hundred years the people of Alabama and Tennessee have been interested in improving the navigation of the Tennessee, and these shoals, called Muscle Shoals, have been a block in the way of navigation. There is not any ulterior motive behind that. It is a very natural desire on the part of the people of those States, and has been for a hundred years, to secure navigation. At one time the Government went to the point of partially building a canal, which was not entirely completed, and was not useful for navigation because conditions changed.

I wish to address my remarks to the Senator from Iowa just for a moment, and then I will be through. The Senator said that one objection he has to this bill is that the environment at Muscle Shoals, the lobbies in reference to Muscle Shoals, the unwarranted expenditures in reference to Muscle Shoals from the beginning, turned him against the measure. I know the Senator was sincere when he made that utterance, but let us analyze it. Of course, in the early history of the Government there were some expenditures made down

there that neither he nor I know anything about. Four or five decades ago they built a small canal. I know nothing about that, and I presume the Senator does not. I suppose he is talking about what occurred in the last two decades.

The Senator should bear in mind that outside of a survey, ordered in a river and harbor act to determine the navigability and water power of these shoals, there has not been one dollar expended at Muscle Shoals by the Government where fraud or extravagance could be committed until the time of this Great War. It is true that there have been a large number of men from Alabama who have been interested in building a dam there. That was legitimate. When they did not dream of the Government building this dam, they were interested in getting private parties to build it, and of course that was natural. But the Government always withheld its hand and blocked the development of this the greatest water power that lies east of the Mississippi River outside of Niagara Falls. There is no question about that.

It is natural and proper for men who represent the people who live in that community to come here and advocate that development. But nothing was done. Up to the time of the war there is nothing for the Senator to hang his statement on that there was fraud or corruption, because there was no Government money spent there, outside of a survey, and that was by the United States engineers, and there was certainly no fraud or corruption in making that survey.

I recognize the fact that Mr. Washburn at one time wanted to get the right to build this dam and develop water power and build this plant in Alabama, though I do not think he applied directly for it. He eventually applied for authority to build a dam on the Coosa, as the Keokuk Dam was built, as dams all over this country have been built. There was no corruption in that. So that, although some kind of special interests in mind have applied for the use of this water power, it is nothing more than usual, and it is nothing more than is now authorized by the Congress of the United States in the general power policy, because the Government expects special interests to make application to build these water powers.

But the Government finally decided, through authority exercised by the President under the national defense act, to take this water power for Government use, and not to give it to special interests; and I heartily approved of that. I think it was a very wise step when the President of the United States started to locate the Government plant for making nitrogen for powder at the greatest water power this side of the Mississippi River. The Government ought to have a great water power which it can control, not only for purposes in time of peace, but as a reserve arm in time of war, which it can always use for governmental purposes; and this is the best. I do not think there is any competent engineer in the United States who would dispute the fact that this is the greatest and best water power in the thickly settled portion of the United States that is not on the border line, like Niagara.

As I said, when the Senator says he opposes this because there has been corruption from the beginning, there has been no opportunity for corruption.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator yield to the Senator from Washington?

Mr. UNDERWOOD. I yield.

Mr. POINDEXTER. Conceding that this is the best water power in the United States, considering the center of population, this bill—

Mr. UNDERWOOD. I am not talking about the great powers in the Rocky Mountains.

Mr. POINDEXTER. I was not going to refer to those. Of course, there are powers out there of enormous value. I am confining the discussion, accepting the statement of the Senator from Alabama, to the Muscle Shoals power. If that is the case, why is there not an application from some private company with sufficient financial ability to develop this water power at private expense, instead of at Government expense, in the same way that the western powers are developed?

Mr. UNDERWOOD. The Senator must remember that the question of the development and use of water power has come within the last 15 years, and that for 12 of those 15 years we have had practically a legislative block against anybody developing water power; that the water-power bill was only passed within six months, and prior to its passage the Government itself had undertaken the building of this dam. So there was never any opportunity.

Mr. POINDEXTER. There is an opportunity now that the bill has been passed. This is on a navigable stream.

Mr. UNDERWOOD. Seventeen million dollars have been allocated for this dam, and all of it has not been spent, but

will be spent in the next few months. So, practically speaking, with the \$17,000,000 invested in a foundation, if the Senator wants to take this great water power and sell what we have there at a tax sale or a sacrifice, allowing private interests to come in there and utilize it, I have no doubt it can be done. I have no doubt that the private interests would realize the great value of this water power, and would do it. I say that if the Government will not go ahead and develop it in the interest of the masses of the people of the United States, then I do not think that great power should be blocked. If the Government will not do it in the interest of the people, then I think it is better to allow some one else to build the dam. But I do not agree with the Senator at all that this great water power should go to private interests.

Mr. POINDEXTER. Mr. President, I did not express any such opinion. The question I asked of the Senator was merely for the purpose of developing what seemed to me to be a perfectly obvious question arising out of the debate, for information. I have no hostility toward this project. In fact, I have not yet come to a final conclusion in regard to the matter.

Mr. UNDERWOOD. I beg the Senator's pardon; I thought his question was coming as a matter of debate, and not as a matter of information.

Mr. POINDEXTER. Entirely as a matter of information. But I want to make the suggestion, which, it seems to me, is an important element to be considered, that if it should be developed by private interests, that does not mean that it will be absolutely controlled by private interests. The water-power act provides for Government regulation and for Government control, and, as the Senator from Alabama very well remembers, the delay in the enactment of that measure was occasioned by the controversy over proper reservations to enable the Government to prevent abuses under private development. So it is not a question between unrestricted private development and private operation and Government operation, but the question is between private development subject to Government regulation and Government control, which gives the Government the power to do practically everything it could do or would desire to do if it invested the public funds in the matter and developed it itself.

Mr. UNDERWOOD. Of course, the Senator recognizes the fact that if this work was abandoned and turned over to private interests it would have to take this power under the general power act, and then a contract would have to be made with private interests, and of course they would have to be assured that they were going to get their profits out of it or they would not put their money in.

Mr. SMITH of Arizona. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Arizona?

Mr. UNDERWOOD. I yield.

Mr. SMITH of Arizona. I would suggest to the Senator from Washington the great difficulty that has been found in the development of water power under the present act. It is a reasonable fear, I think, that the individual has, for in the great question of the development of power on the Colorado River there was a contract underwritten by some eastern men for \$50,000,000, I understand. They were to build it with \$50,000,000, and were ready to proceed, except that the Secretary of the Interior—and I think wisely—said, "We will not permit a great power like this to go into the hands of individual men for individual profit." Of course, when the private contractors had to agree to take whatever the Government said as to rates, and to be regulated by the Government, the great enterprise fell to the ground.

I know the Muscle Shoals. I have been on the ground on some of my hunting trips, and there is not such a development of water power, as far as I know, in this country, outside of Niagara, and what can be done in the confined waters of the Colorado River.

Mr. POINDEXTER. I presume the Senator has not seen some of the water powers of the West.

Mr. SMITH of Arizona. It may be that I have not. Then they come within the exclusion of my statement. I do not mean a water power like that in the Yosemite. But you will find, I am afraid, that if this bill is beaten, under the regulation by the Government, the uncertainty of the constantly changing official who has control of it will keep timid capital away when it has to be produced in such enormous quantities to harness that water and get the power to develop the biggest stretch of country and to benefit more people than any other possible project in the United States.

Mr. UNDERWOOD. Mr. President, I did not rise to go into a discussion of this proposition, but I did not want the debate to close without making the statement I have made with

reference to Muscle Shoals. Up to the time of the war there was not any expenditure of money, there was not anything done, which could form the basis for graft or greed. During the time of the war the President ordered a nitrate plant to be built at Muscle Shoals. Like all other war building, there was great extravagance. There may have been some corruption in a minor way, but that was due to conditions which grew out of the war, nothing that the people who are now interested in the development had anything to do with, nothing that the Government had anything to do with except the starting of the enterprise. We found that trail through the entire war, wherever a Government contract was being fulfilled. No one contends for a moment that there was not war extravagance in building the plant, as there was in everything else we did during the war. A large portion of its cost ought to be charged off to the war. But, aside from that, there is nothing here to show corruption or to show stealing. It was absolute war waste and there is no use in the Senate having its judgment misled by charges of that kind.

We have this great plant which can be utilized, or it may lie there idle, to die. The effort of the bill is to utilize it in time of peace for the great farming interests of the country, and have it there for protection in time of war.

As to what I said yesterday in my speech about the lobby, I do not criticize men because they are interested in their own desires and their own wants. Human nature will never change. I try to judge no man so far as his motive is concerned. Of course, it is perfectly legitimate as a part of the argument in this debate to point out that there are certain great special interests that are lobbying here to prevent the passage of the bill and to prevent this development because they think it might work injury to their own private plants. They have a right to come here and tell their story, and they are here telling it. They desire the defeat of the project because they think it will be a competitor with them.

I have always believed that they have magnified the competition in their own minds. I think there is an ample field in the country for the plant to work in the interest of the farmers without seriously injuring the business of the private interests that are lobbying against the bill; but I think the issue comes to us whether we shall work the plant in the interest of the mass of the American people or whether we shall stifle this opportunity because there are certain great interests in the United States that are afraid of it.

Now, Mr. President, unless some Senator who is now present desires to proceed with a speech, I think we are about ready to vote, and I would suggest that the roll be called to secure the attendance of a quorum, in order that absent Senators may be notified.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Gronna	McNary	Smith, Ariz.
Beckham	Hale	Moses	Smith, Md.
Borah	Harris	Myers	Smith, S. C.
Brandegge	Harrison	Nelson	Smoot
Calder	Hedlin	New	Sterling
Capper	Henderson	Nugent	Sutherland
Culberson	Johnson, Calif.	Overman	Swanson
Curtis	Jones, N. Mex.	Page	Trammell
Dillingham	Jones, Wash.	Phelan	Underwood
Fernald	Kenyon	Phelps	Wadsworth
Fletcher	Keyes	Pittman	Walsh, Mass.
France	King	Poinderer	Walsh, Mont.
Frelinghuysen	La Follette	Pomerene	Warren
Gay	Lenroot	Ransdell	Williams
Glass	McCumber	Robinson	Wolcott
Gore	McKellar	Sheppard	

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

Mr. HARRISON. Mr. President, I desire to occupy just a moment. There has been much said about lobbyists. The Senator from Iowa [Mr. KENYON] was very frank and very candid about it, and said that very recently we could hardly walk around the Capitol for lobbyists and that they were getting more numerous every day and that he supposed they would still increase in the near future. I agree with him in that statement, and I agree with the Senator from Massachusetts [Mr. WALSH] in that I hope there is no political significance in the increased attendance at this particular time.

There have been many eulogies passed on Mr. Washburn. I desire to read what Mr. Washburn said, just to refresh the memories of Senators before the vote on this important question, to show what his position is and on what his opposition to the particular legislation is based. Mr. Washburn is the head of the corporation that has now, or did have, the contract, which terminates in 1921—that is, so far as the fixed price of

the royalty is concerned—and after that it is to be arbitrated. Here is what Mr. Washburn said in the testimony, at page 223 of the hearings:

Should they seek the ruin of the American Cyanamid Co., first, by taking away its customers, and swamping the market at low prices, which the Government can do, because its proposed corporation will pay no taxes, no interest, no depreciation?

That is the milk in the cocoanut. Mr. Washburn said that he bases his opposition principally on the fact that prices will be lower and his customers will be taken away from him. He goes on further, in answer to a question by the Senator from New York [Mr. WADSWORTH], who asked him to tell about the American Cyanamid Co., of which Mr. Washburn is president, and about which a great deal has been said in the course of the discussion. Here is what he said:

The American Cyanamid Co. was organized in 1907. Its first capital of \$1,000,000 was subscribed by my three associates and myself equally. We started out with an experimental \$1,000,000 to see what we could do with the situation. The matter developed satisfactorily, and we sought capital and secured it abroad. It is the kind of an undertaking that American investors are not accustomed to. We think here in terms of physical property and physical assets, but people abroad have had a wider experience in things of this kind, and they give a value to an idea—and we had practically nothing but an idea to sell.

The property of the company to-day has a value of something like \$10,000,000, and as fresh capital was required it was, in about equal part, furnished from abroad and by American investors.

We are the owners of two subsidiary companies.

May I say in this connection, that every person who has approached me touching the legislation or who has written me touching the legislation, so far as I know, has been opposed to the bill. I have not received any petitions or letters from the farmers of the country asking me to support the bill, although the farming organizations, I understand, have resolved on other propositions, requesting Congress to pass it. I have no doubt, though, that they are thinking of us and expecting us to do our duty by them. That we must do. The letters I have received are from fertilizer concerns in my State who are opposing the proposition for the very reason that they are afraid that their concerns will be put out of existence. I do not think it will, although it may, and I hope it will force them to give to the farmers cheaper fertilizers.

Says Mr. Washburn:

We are the owners of two subsidiary companies. One is a large producer of phosphate rock in Florida—the Amalgamated Phosphate Co. We own all the stock of that company. We purchased it from the former owners, who were a number of people, for the most part fertilizer manufacturers who had combined their phosphate-rock holdings. The name of the company was significant—the Amalgamated Phosphate Co. It was an amalgamation of the phosphate properties of a number of fertilizer companies of importance, most of them. That company we operate. Of course, that has nothing to do with nitrogen.

Our purpose in purchasing that property was to furnish us with the raw materials for a product which is a form of ammonium phosphate and had the trade name of Ammophos, which we export in large quantities.

The other subsidiary company is this Air Nitrates Corporation, which performed this service for the Government, with which you are familiar.

There is one other company, and that is a California company, which manufactures hydrocyanic acid from cyanide, which this company also makes. We make cyanide from cyanamid at our plant, and we ship the cyanide to our California plant, owned by the subsidiary company there, and it is transformed into hydrocyanic acid. That is a growing and important business, and the acid is used for fumigating citrus fruit—oranges and lemons.

And so forth.

Senator WADSWORTH. * * * Has the company any interest in any of the larger fertilizer manufacturing concerns?

The Senator was getting at the source of the opposition to this bill when he was propounding these questions. He wanted to clear the matter up. So the Senator from New York, adroit, smart, able, the author of the bill, asked this question:

Senator WADSWORTH. Has the company any interest in any of the larger fertilizer manufacturing concerns?

Mr. WASHBURN. None whatever.

But the Senator from New York was not to be taken off his guard in that way, so he followed his question up by asking:

Have those companies any interest in yours?

Mr. WASHBURN. They own stock by reason of the purchases that were made of these phosphate properties in Florida.

That is the reason some of the fertilizer plants throughout the country are opposed to this proposed legislation. They are interested in it, admittedly so, by Mr. Washburn himself.

Now, here is what Secretary Baker in his testimony says about this man Washburn, who is now opposed to this legislation, and who has been eulogized in this debate. On page 351 of the hearings Secretary of War Baker said:

There is only one other aspect of this matter upon which I want to say a word, and that is the relation of this bill to the Air Nitrates Corporation. I think Mr. Washburn will say to this committee that long before the Government undertook to build a nitrate plant at Muscle Shoals he wanted to build one there; that Mr. Washburn regards it as the most favorable place in the United States not now occupied for

the building of a cyanamid process nitrate plant; that he was very anxious to have the Muscle Shoals Dam built and the power of the Muscle Shoals Dam placed at his disposal for the erection, as a private enterprise, of a cyanamid plant at Muscle Shoals. It has been one of his activities for many years to bring that about. I make no comment upon it or characterization of it. He was in that business, and he thought that he could benefit the farmers and himself, too, if he could induce the Government to build the Muscle Shoals Dam and sell the power at a very low rate, in order that he might sell cyanamid and its derivatives as a fertilizer.

So that Mr. Washburn until he got the plant there believed that a plant ought to be put there and operated in the interests of the agriculture of this country. Now that the Government has the plant and has a contract with Mr. Washburn, by which he has agreed that the Government may operate under his processes, it seems to me Mr. Washburn ought not now to take the view either that that is an improper place or that it is unwise to continue the operation of the plant.

Senators, when you vote on the proposition if you fail to vote to carry on the work, then you vote practically to throw away \$85,000,000 which the Government has already expended on the Muscle Shoals plant. In my opinion, it is an economical venture upon the part of the Government. We shall be providing an insurance in time of war against our destruction and a guaranty of the development of our agricultural interests in time of peace. We ought to pass this legislation in order that we may continue that great work, which will protect our country in time of war and help our farmers at this crisis to obtain cheaper fertilizers.

Mr. LENROOT. Mr. President, I ask for the yeas and nays on my motion to recommit the bill.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. FALL (when his name was called). I have a pair with the junior Senator from Wyoming [Mr. KENDRICK]. In his absence I withhold my vote.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. In his absence I withhold my vote.

Mr. HENDERSON (when his name was called). I have a general pair with the junior Senator from Illinois Mr. [McCONMICK]. In his absence I withhold my vote.

Mr. JONES of New Mexico (when his name was called). I have a pair with the junior Senator from Missouri [Mr. SPENCER], which I transfer to the junior Senator from Arkansas [Mr. KIRBY] and vote "yea."

Mr. McCUMBER (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. THOMAS], but understanding that he would vote as I intend to vote upon this question I feel at liberty to vote. I vote "yea."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I transfer that pair to the junior Senator from West Virginia [Mr. ELKINS] and vote "yea."

Mr. POMERENE (when his name was called). I have a general pair temporarily with the senior Senator from Iowa [Mr. CUMMINS]. I understand that his vote on this question, if he were present, would be the same as mine. I therefore feel at liberty to vote, and vote "yea."

Mr. SMITH of Georgia (when his name was called). I transfer my pair with the senior Senator from Massachusetts [Mr. LODGE] to the junior Senator from Rhode Island [Mr. GERRY] and vote "nay."

Mr. WILLIAMS (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. PENROSE]. I understand that if he were present he would vote "yea." I transfer my pair to the Senator from Missouri [Mr. REED] and will vote. I vote "nay."

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. In his absence I am not at liberty to vote and therefore withhold my vote.

The roll call was concluded.

Mr. SIMMONS. I have a general pair with the junior Senator from Minnesota [Mr. KELLOGG]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. BRANDEGEE (after having voted in the affirmative). I am paired with the senior Senator from Tennessee [Mr. SHIELDS]. I transfer that pair to the senior Senator from Colorado [Mr. THOMAS] and allow my vote to stand.

Mr. FERNALD. I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the senior Senator from Minnesota [Mr. NELSON] and vote "yea."

Mr. HARRISON. I have been requested to announce that the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from South Dakota [Mr. JOHNSON] are detained from the Senate by reason of illness.

Mr. GORE. I desire to announce that the Senator from Missouri [Mr. REED] is absent from the Senate because of illness.

Mr. CURTIS. I desire to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Iowa [Mr. CUMMINS] with the Senator from Arizona [Mr. ASHURST].

The result was announced—yeas 32, nays 33, as follows:

YEAS—32.

Ball	France	Lenroot	Pomerene
Borah	Frelinghuysen	McCumber	Sherman
Brandeggee	Gore	McLean	Smoot
Calder	Hale	Moses	Sterling
Colt	Jones, Wash.	New	Sutherland
Curtis	Kenyon	Page	Townsend
Dillingham	Keyes	Phipps	Wadsworth
Fernald	King	Polindexter	Warren

NAYS—33.

Beckham	Johnson, Calif.	Ransdell	Swanson
Culberson	Jones, N. Mex.	Robinson	Trammell
Fletcher	McKellar	Sheppard	Underwood
Gay	McNary	Simmons	Walsh, Mass.
Glass	Myers	Smith, Ariz.	Walsh, Mont.
Gronna	Nugent	Smith, Ga.	Williams
Harris	Overman	Smith, Md.	
Harrison	Phelan	Smith, S. C.	
Heflin	Pittman	Stanley	

NOT VOTING—31.

Ashurst	Gerry	Knox	Penrose
Capper	Harding	La Follette	Reed
Chamberlain	Henderson	Lodge	Shields
Cummins	Hitchcock	McCormick	Spencer
Dial	Johnson, S. Dak.	Nelson	Thomas
Edge	Kellogg	Newberry	Watson
Elkins	Kendrick	Norris	Wolcott
Fall	Kirby	Owen	

So the Senate refused to recommit the bill to the Committee on Agriculture and Forestry.

Mr. WADSWORTH. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. There is a pending amendment, which will be stated by the Secretary.

The ASSISTANT SECRETARY. The pending amendment is the amendment of the Senator from South Carolina [Mr. SMITH], which is as follows:

On page 5, line 19, after the word "others," insert a colon and the following proviso:

"Provided, That in the sale of such products not required by the United States, preference shall be given to those persons engaged in agriculture."

To which a substitute has been offered by the Senator from Georgia [Mr. HARRIS], in the following words:

Insert a comma and the words "preference being given to farmers, and all such products sold to producers of fertilizers shall be with the agreement that they shall resell to farmers at reasonable prices."

The VICE PRESIDENT. The question is on the substitute.

Mr. LENROOT. Mr. President, before the substitute is voted upon I desire to ask the Senator from Georgia whether he thinks the provision that the producers of fertilizers shall agree to sell at reasonable prices offers any protection whatever to the farmer? How would it be enforced?

Mr. HARRIS. Mr. President, I think the men who are appointed under the next administration to handle this matter will be the very best men in the country, and I think they would decline to sell to any fertilizer manufacturers who would not agree to sell the fertilizer at reasonable prices to the farmer.

Mr. LENROOT. Suppose that they do agree to sell at reasonable prices, what happens then?

Mr. HARRIS. Then, if they decline to carry out their agreement, they can decline to sell them any further fertilizers.

Mr. LENROOT. Yes; but after you have sold, and they agree to sell at reasonable prices, who is to determine the matter?

Mr. HARRIS. That would only be one sale, and they would be interested in a great number of sales afterwards.

Mr. LENROOT. The point of my inquiry is this: I have an amendment that will really be of some value to the farmer, in that it provides that wherever this fertilizer is sold to producers the purchaser must consent to regulation of price on resale by this corporation. Then there will be something of value.

I sincerely hope the Senator will withdraw his amendment, and allow the amendment of the Senator from South Carolina to be adopted, and then I will propose my amendment as a further proviso.

Mr. SMITH of South Carolina. Mr. President, if the Senator from Georgia will allow me, I think my amendment does all that the corporation proposed in this bill can do so far as selling to the farmer is concerned, giving him preference in the purchase; and then, as the Senator from Wisconsin indicates, as to whatever is not purchased by the farmer and is sold to a fertilizer concern, before the sale to this fertilizer concern is made they shall enter into an agreement with it as to what price it shall charge in reselling the fertilizer to the farmer.

I think that would be very much better than the form in which the Senator has proposed his substitute, for the reason, as the Senator from Wisconsin points out, that if you sell to these fertilizer manufacturers, and they are to resell at a

reasonable price, you have no one to determine what will be a reasonable price. I think the proviso or the intimated amendment the Senator from Wisconsin proposes would come nearer reaching the object that we have in this bill than that proposed by the Senator from Georgia.

Mr. WILLIAMS. Mr. President, if I understand the amendment offered by the Senator from South Carolina, it does nothing more than is being done now. Whenever the product is not needed for military defense as an explosive, the farmer now receives the preference in the sale.

Mr. SMITH of South Carolina. No; this bill does not so provide, and that is the reason why I offered the amendment.

Mr. WILLIAMS. But as a matter of practice of the department, he does now, does he not?

Mr. SMITH of South Carolina. There has not been sufficient manufactured to test out that question.

Mr. WILLIAMS. What the Senator wants to do, then, is to make that clear?

Mr. SMITH of South Carolina. To make that clear, and that is the only object of my amendment. The amendment of the Senator from Wisconsin proposes that after the farmer has been supplied, if this product is sold to the manufacturers of fertilizer, there shall be an agreement between this corporation and the manufacturers as to the price at which they will sell the fertilizer made from the ingredients manufactured by this corporation.

Mr. WILLIAMS. But if you waited, in order to do that, until after the farmer had been supplied there would be practically no waiting at all, because, of course, the farmer can consume all the surplus.

Mr. SMITH of South Carolina. Yes; I rather think that is true, but doubtless there are hundreds and hundreds of farmers who, despite this, will not purchase directly. They do not now, even though there is a saving. There are a great many—not anything like a majority, but a great many—who must purchase from their local merchant, and their merchant gets it from the manufacturer.

Mr. WILLIAMS. He can, or he can purchase in their name directly from the Government.

Mr. SMITH of South Carolina. Yes; he could do that.

Mr. WILLIAMS. And after you make this clear he can do that.

Mr. SMITH of South Carolina. Yes; but I think even the amendment of the Senator from Wisconsin would be a pretty good safeguard. However, I think the object to be attained is attained by making it clear in the bill that the farmer is to have the preference, and then, after him, the others.

Mr. HARRIS. Mr. President, it is immaterial to me which amendment is adopted, whether my substitute or the amendment of the Senator from South Carolina.

On January 4 I introduced an amendment which is practically the same as that introduced by the Senator from South Carolina four days after my amendment. He changed the wording a little, but it is the same amendment. It does not make any difference to me which amendment is agreed to, but I should like to have the Senate hear the amendment and the substitute read, and also the amendment to be offered by the Senator from Wisconsin [Mr. LENROOT], so that the Senate can decide for themselves which form they prefer.

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from South Carolina, the substitute offered by the Senator from Georgia, and if the Senator from Wisconsin will send up his proposed amendment that will be stated, and then the Senate can, and the Chair hopes will, vote.

The ASSISTANT SECRETARY. The Senator from South Carolina proposes the following amendment:

On page 5, line 19, after the word "others," insert a proviso in the following words: "Provided, That in the sale of such products not required by the United States, preference shall be given to those persons engaged in agriculture."

Mr. WILLIAMS. Mr. President, I suggest to the Senator that he put the word "Government" after the word "States."

Mr. SMITH of South Carolina. I am following the text. Just before that in the text it says:

To sell any or all of its products not required by the United States. I am simply conforming to that language.

Mr. WILLIAMS. What the Senator really means is, "not required by the United States Government for military purposes."

Mr. SMITH of South Carolina. Yes.

Mr. WILLIAMS. Of course, "the United States" is a pretty broad term, including pretty nearly everybody—in fact, all of the 106,000,000 of population of the United States.

Mr. SMITH of South Carolina. That is the only reason why I used that term.

Mr. WILLIAMS. Suppose the Senator just puts in the word "Government," to make it perfectly plain—"not required by the United States Government."

Mr. SMITH of South Carolina. I have no possible objection to the modification of the wording.

Mr. WILLIAMS. That is what the Senator means.

The VICE PRESIDENT. The Secretary will state the substitute and the amendment to be offered by the Senator from Wisconsin.

The ASSISTANT SECRETARY. To that amendment the Senator from Georgia [Mr. HARRIS] has offered a substitute in the following words: After the word "others," insert a comma and these words:

Preference being given to farmers, and all such products sold to producers of fertilizers shall be with the agreement that they shall resell to farmers at reasonable prices.

The amendment that will be proposed by the Senator from Wisconsin [Mr. LENROOT] is as follows: At the end of line 19, on the same page of the bill, add to the proviso—

Mr. LENROOT. If the proviso is adopted, it will be added to the proviso.

The ASSISTANT SECRETARY (reading)—

Provided further, That if such products are sold to others than users of fertilizers, the corporation shall require as a condition of such sale the consent of the purchaser to the regulation by the corporation of the prices to be charged users for the products so purchased, or any product of which the products purchased from the corporation shall form an ingredient.

Mr. HARRIS. Mr. President, I withdraw my substitute, as the other two amendments will accomplish the purpose I have in view.

Mr. WADSWORTH. Mr. President, I do not intend to oppose this amendment or the amendments that have been suggested in this connection. I simply remind the Senate to look this thing squarely in the face and understand that if these amendments are adopted and this bill is enacted into law, from now on the Government of the United States is going to fix the price of fertilizer of all kinds and descriptions.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Wisconsin to the amendment of the Senator from South Carolina.

Mr. SMITH of South Carolina. Mr. President, the vote now is on the amendment offered by myself, is it?

The VICE PRESIDENT. No; is the amendment offered by the Senator from Wisconsin to the Senator's amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GRONNA. Mr. President, I offer the following amendment which I send to the Secretary's desk.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 6, line 11, after the word "act" at the end of the line, insert a colon and the following:

Provided, That the language of this act shall not be construed so as to authorize the corporation to exercise the power of condemnation vested in the President by the act of June 3, 1916, known as the national defense act.

Mr. GRONNA. Mr. President, the Senator from New York [Mr. WADSWORTH] objected to the authority contained in the act of June 3, 1916, which gives to the President the power to condemn property of all kinds, and, of course, the bill would extend that authority to this corporation. I am offering the amendment just to satisfy those who are opposed to granting such authority to this corporation.

Mr. WADSWORTH. Mr. President, I do not know whether it is going to be possible to get the Senate to listen to any discussion of this phase of the bill. I observe that the attendance is already dwindling.

The Senator from North Dakota [Mr. GRONNA] has introduced an amendment to the effect that this corporation shall not have the power to condemn, but he forgets, I think, that the President of the United States still has the power to condemn, under section 124 of the national defense act, and can condemn any property and then turn it over to the corporation. To be perfectly frank, the amendment of the Senator from North Dakota does not satisfy my objection.

Let us read just for a moment and see what we are up against here. I know that there is a tremendous push on in the Senate to commit the people of the United States to this project.

Mr. UNDERWOOD. Will the Senator yield for a question?

Mr. WADSWORTH. I will.

Mr. UNDERWOOD. I cooperated with the Senator from North Dakota [Mr. GRONNA] in preparing the amendment he offered, really to meet the objection of the Senator from New York. As far as I know, the proponents of the bill, and the men who are in favor of it, have no desire whatever to place in

the hands of this corporation the power of condemnation, and I am sure that the Senator from North Dakota and the balance of us who are in favor of the bill will agree, if the Senator will just suggest the language of an amendment which will relieve the situation that is in his mind. I doubt whether the Senator's construction is proper, but we do not care to take issue with the Senator on that, and we are willing to agree with him on it, if he will just indicate wherein the amendment does not cover the point. There is no desire on the part of those who are in favor of the bill to continue to turn over to this corporation any power of condemnation.

Mr. WADSWORTH. I was about to come to that when the Senator asked me to yield.

Mr. UNDERWOOD. I think it is only a question of reaching an agreement on the words to be used.

Mr. WADSWORTH. It is more difficult than the Senator thinks. The trouble with this question is that the overwhelming majority of Senators who are supporting the bill have never read it. It is more difficult than the Senator from Alabama thinks to cure this thing, and we have just started.

Mr. UNDERWOOD. I will say to the Senator that I do not think there is any difficulty about curing it at all. I think it is always easy enough to find language which will cure a proposition if you want to negative it, and if the Senator does not think this accomplishes it, let him suggest language that in his opinion will do it.

Mr. WADSWORTH. Let us see about it. The power of condemnation carried under the bill is in subdivision (e) on the bottom of page 5. That is the subdivision which provides that by direction of the President the corporation is "to act as his agent in carrying out and performing any or all of the duties imposed upon him by section 124 of the act of June 3, 1916." The power of condemnation is not the only thing which is contemplated under subdivision (e). The use of the Wilson Dam is contemplated under subdivision (e).

Mr. UNDERWOOD. Of course that is not a question that goes to condemnation.

Mr. WADSWORTH. Just a moment, if I may. The Senator says it is an easy thing to amend the bill and to stop the power of condemnation. The amendment of the Senator from North Dakota does not do it.

Mr. UNDERWOOD. Why not?

Mr. WADSWORTH. Because the President is still allowed to condemn any property, and specifically to turn it over to this corporation, and I am opposed to lodging in the hands of the President by specific act in time of peace the power to go far and wide over the country and condemn any property he chooses and turn it over to this corporation.

Mr. UNDERWOOD. Mr. President—

Mr. WADSWORTH. If the Senator will permit me to continue just a moment, I will suggest to him the only thing that will cure that situation, and that is the repeal of section 124 of the national defense act in so far as the power of condemnation is lodged in the hands of the President.

Mr. BRANDEGEE. Mr. President, why would not a provision to the following effect, to wit, that no property shall be taken by eminent domain for the purposes of this corporation, cure the defect the Senator suggests?

Mr. SMITH of South Carolina. Mr. President, does not the Senator realize that in time of war some emergency might arise when it would be proper for the President to use that power?

Mr. BRANDEGEE. Of course, in time of war emergencies are likely to arise, I will admit, but no emergency arose in the last war which could not have been provided for by Congress, and Congress in time of war could immediately give this power to the President.

Mr. UNDERWOOD. I agree to what the Senator from Connecticut has said. I think if the language we suggest does not cover it, the language he suggests would, and although it might take away the power of condemnation of the President in time of war, we have no desire to have the President exercise that power in time of peace, and if another war came the Congress would readily return the power to the President. I think we are taking time about a matter we are not in dispute about, and if we follow the language of the Senator from Connecticut I think it would be agreeable.

Mr. GRONNA. Mr. President, I want to say that I listened to the debate on this bill at the time it was taken up, and in cooperation with the friends of the measure I suggested an amendment of this kind. If it does not meet the objection of the Senator from New York, I am perfectly willing to take the language suggested by the Senator from Connecticut. I have no objection to it whatever.

Mr. WADSWORTH. Mr. President, I would simply like to have it put in written form and read and attached to certain lines and pages of the bill. We must recollect, Mr. President, that we are starting in to rewrite this bill, and I would like to have it in writing first.

Mr. UNDERWOOD. I suggest that we pass over this particular amendment until that can be done.

Mr. GRONNA. Then, Mr. President, I offer the following amendment—

Mr. LENROOT. Before we pass it over—

Mr. WADSWORTH. I think I have the floor.

The VICE PRESIDENT. The Senator from New York has the floor.

Mr. WADSWORTH. I will yield for the putting of a question, but not for the offering of an amendment. I yield to the Senator from Wisconsin.

Mr. LENROOT. I want to ask the Senator whether he can conceive of any possible purpose or object in having this subdivision in the bill except to repeal such restrictions as may be thrown around the situation by section 124 of the national defense act? Why should it be in the bill at all?

Mr. WADSWORTH. There is no reason whatever, Mr. President.

Mr. LENROOT. Then I would like to ask the Senator from Alabama whether he is willing to agree to a motion to strike it out?

Mr. UNDERWOOD. I understand it is necessary to have this section in the bill to enable the President at some future day to transfer the power at Muscle Shoals Dam, if it is ever completed, to this corporation, and that is the only desire.

Mr. LENROOT. Does the Senator think a proposition costing \$50,000,000 of new money should be transferred to this corporation without any return upon the capitalization of \$50,000,000 that the Government put in?

Mr. UNDERWOOD. If the Senator will allow me, I deny the statement the Senator from Wisconsin has kindly put in my mouth. It is not \$50,000,000; it is \$27,000,000. In the next place, I have not touched on the question of the capitalization. I merely say that at some future day the dam at Muscle Shoals, if it is ever built, should be harnessed up with this corporation, and I do not care to take the power out of the bill that would allow that to be done. Outside of that, I care nothing for what is in the section.

Mr. LENROOT. The Senator does know that it repeals restrictions and limitations now found in section 124 of the national defense act?

Mr. UNDERWOOD. As I said to the Senator, I state candidly that the only object I want to attain is to give the President the power at some future time, when the dam is finished, to work it in connection with this nitrate plant. That is my only purposes. If some other language that is not objectionable can accomplish that purpose, as far as I am individually concerned, I am perfectly willing to agree to it.

Mr. LENROOT. Why should not the corporation buy this water power, if completed, if it is going to be run upon a business basis?

Mr. UNDERWOOD. That is another problem.

Mr. WADSWORTH. I can answer the question, if the Senator wishes.

Mr. UNDERWOOD. I will say candidly, if the Senator wants me to answer it, that I would like to see this corporation make nitrogen as cheaply as possible. But I am not saying that that is not a disputed question which might come up.

Mr. WADSWORTH. May I say to the Senator from Wisconsin that the great advantage in having the corporation own the dam is that they can charge to the expense or the cost of producing the product a ridiculous price for the water power; and that is what they have done in these estimates.

Mr. LENROOT. Without returning to the Government interest upon the investment.

Mr. WADSWORTH. An example of it is found in these estimates. If there were ever silly business estimates, these are they. They state that they can put out this product at a certain price, and they give the items of cost. They leave out interest on the money still to be invested, they leave out insurance, they leave out deterioration of the plant, and they put the water power in at three-fourths of a mill per kilowatt-hour, when it is worth 4 mills. In other words, they leave out these items in order to crowd down the cost of producing this material and show a paper profit. There was never a more patent fraud against the taxpayers of this country than is contained in these estimates, upon which the Senate must base its judgment in passing the bill; and I shall have something to say about the people who made the estimates.

Mr. LENROOT. May I add that according to the engineers' estimates they would have to receive 4 mills in order to pay the Government 5 per cent upon its investment of new money.

Mr. WADSWORTH. Certainly. The testimony of the Government itself displays the fallacy of this thing from a business standpoint, and the misleading character of the estimates is self-evident.

Mr. POINDEXTER. Who made the estimates?

Mr. WADSWORTH. I can tell the Senator from Washington who made the estimates, and in doing so perhaps I would better read some quotations from a letter written by Mr. Glasgow to the Secretary of War, and also some quotations from a memorandum presented by Mr. Glasgow to the Secretary of War. I quoted from the letter very briefly yesterday, but there is a good deal more in it of interest. We will find out where these estimates came from, and what the men who made the estimates expect to do in connection with the corporation after it is started.

Mr. POINDEXTER. May I ask if the estimates were accepted and adopted as the basis of the consideration of the matter by the Secretary of War?

Mr. WADSWORTH. They are the basis of this whole legislation.

Mr. POINDEXTER. Were they accepted by the Secretary of War?

Mr. WADSWORTH. They were. Mr. President, I know it is hard to get attention to this thing, because it is a business proposition and no one cares much about business when the taxpayer's money is concerned. Under date of October 22, 1919, Mr. Glasgow addressed a letter to the Secretary of War, dating it from the Brighton Hotel, 2123 California Avenue, Washington, D. C., in which he discussed the future of the nitrate plants at Muscle Shoals, and after going into the thing rather exhaustively he urges upon the Secretary of War the wisdom of forming a Government corporation to take these plants over and operate them. He discusses at some length prices and costs and expresses it as his opinion that the best thing for the Government to do is to organize a corporation. I read paragraph 23 of that letter, as follows:

23. In other words, we recommend that a corporation should be formed to take over all of the fixed-nitrogen assets of the War Department, together with the funds obtained from Congress, and to perform all of the duties of administering these plants and funds in peace time, while continually enhancing their military value. There could be a nominal amount of common stock, of no par value, issued to the United States and held by the Secretary of War, in exchange for the fixed-nitrogen assets of the War Department, and 5 per cent preferred stock could be sold to the United States at par, from time to time as required, to provide the necessary additional funds of \$12,100,000 described in paragraph 21 above.

You will note the bill is built exactly upon these lines. Then he continues:

The Secretary of War would be chairman of the board. Mr. Roberts and Col. Burns might be president and vice president, respectively, as well as directors. The Chief of Ordnance might be another director. I should be willing to serve, if you wish it, as director—in Europe—and an additional vice president and directors could be appointed as the organization develops and important members materialize. All of the officers and directors would, of course, be appointed and removable by the Secretary of War.

That is just what is done in the bill. Now, Mr. President, I read from a portion of the memorandum sent to the Secretary by the same gentleman under the same date. In paragraph 5 he says:

5. The military members of the personnel of the fixed-nitrogen administration will be paid by the Army as heretofore, without charge to said administration, but the fixed-nitrogen administrator is authorized to pay to any Army officer such additional remuneration as he may deem advisable, subject to the approval of the Secretary of War if the total remuneration exceeds \$6,000 per annum.

It is provided in the act that that can be done. These are the people who drew the bill and made the estimates. I read again from the same letter:

6. The fixed-nitrogen administrator shall have full administrative and executive authority to carry out the policies approved by the Secretary of War, giving effect to the act of Congress approved (date?) and to this end shall have power, free of civil-service regulations, to employ, pay, control, and discharge the personnel; to fix individual remuneration not exceeding \$6,000 per annum; to repay employees their actual and appropriate expenses for traveling done by order of the administration; to pay appropriate expenses in connection with the exhibition of the plants and processes to governments, institutions, or individuals with whom we may desire reciprocal relations; and, in general, the same authority in the pursuit of efficiency which is enjoyed by the best administered manufacturing corporations. He is empowered to make or cause to be made all appropriate expenditures for the affairs, operations, plants, and properties of the fixed-nitrogen administration, and whatever extraordinary expenditures may be authorized by the Secretary of War; but not, in any case, to exceed the funds appropriated and available.

Mr. KING. Will the Senator permit a question?

Mr. WADSWORTH. Certainly.

Mr. KING. I was under the impression that there is a statute, either general or one in the military law, that forbids offi-

cers of the United States from receiving additional compensation.

Mr. WADSWORTH. Yes; but this would be passed later, and would supersede the prior statute.

Mr. KING. That is true. Then it is obvious that the purpose is to supersede existing law and permit officers of the Government to receive double compensation.

Mr. WADSWORTH. It is double salary for them, and the directors are already agreed upon and their salaries suggested to the Secretary himself.

Mr. POINDEXTER. May I ask if those men prepared the bill?

Mr. WADSWORTH. They prepared the bill and made all the estimates, and not one piece of information came to the Committee on Agriculture and Forestry from anyone else with respect to the business conduct of the organization, not one shred of testimony except from these same men; that is, testimony having to do with the dollars and cents side of the question.

Mr. KING. Were they officers, or at least some of them, who were employed in the Ordnance Department of the Government during the recent war?

Mr. WADSWORTH. Some were. The memorandum from which I am reading is a supposititious order issued by the Secretary of War, presented by Mr. Glasgow to the Secretary following the letter from which I quoted a moment ago. This is the kind of order which these people suggested should be issued by the Secretary of War. I have just read from it that portion of the order having to do with the extra pay for Army officers who may be directors or officers of the corporation. Here is another suggestion as contained in the supposititious order, gotten up by the authors of the legislation. The Senator from South Carolina [Mr. SMITH] never heard of this legislation prior to its introduction, nor did any Member of the Senate.

Mr. A. G. Glasgow—

Continues this supposititious order—

who as organizing fixed-nitrogen administrator has been the special representative of the Secretary of War in establishing this new department, has now returned to London, where he will continue to act as special representative (in Europe) of the Secretary of War in fixed-nitrogen matters. Mr. George J. Roberts, now special assistant to the Chief of Ordnance in charge of fixed-nitrogen matters and deputy fixed-nitrogen administrator, is hereby appointed fixed nitrogen administrator of the War Department. The annual salary of the fixed-nitrogen administrator during Mr. Roberts's incumbency shall be \$12,000.

Mr. POINDEXTER. I would like to ask the Senator from New York if there is anything in the bill that would prevent the Secretary of War from practically putting into effect what he has just read as an order?

Mr. WADSWORTH. The bill specifically authorizes it, and most of the War Department witnesses who came before the Committee on Agriculture and Forestry were the men who were to be the beneficiaries of the supposititious order.

Let us read some more from this order:

The fixed-nitrogen administrator is authorized to appoint Col. J. H. Burns deputy fixed-nitrogen administrator, with such powers as he may depute to such deputy, at a total remuneration of \$8,000 per annum; and to use, alter, reduce, or develop the organization of the former nitrate division (including the fixed-nitrogen research laboratory) as he may deem necessary to secure the most efficient results from the nitrate plants.

Mr. Roberts and Col. Burns were the principal witnesses before the committee. Mr. Glasgow could not appear before the committee because shortly after writing the letter to the Secretary of War—well, I will quote from his letter in order that we may see what happened:

I have to be urgent because I am sailing for London November 1.

There is nothing before the Senate in the way of a discussion of the dollars and cents side of the problem, except that presented by Mr. Roberts and Col. Burns and Col. Gaillard. I do not know how it happened that they left Col. Gaillard out of this list of officers, but they did. Not one of these men ever ran a nitrate plant. Mr. Roberts has never been in the business, Col. Burns has never been in the business, Mr. Glasgow has never been in the business. Col. Gaillard was employed by the American Cyanamid Co. at one time, and upon the outbreak of the war very properly took a commission in the Ordnance Department and did good service there. I am not criticizing these gentlemen at all. I know them all. I am acquainted with Mr. Glasgow, but I have heard him discussed upon the floor of the Senate as "this great expert." He has never had anything to do with the business and is not an expert.

Mr. POINDEXTER. But he is willing to be the European director.

Mr. WADSWORTH. Yes; he is willing to be the European director. Mr. Roberts has been described as "this great engineer." He is not an engineer. He never had anything to do

with this kind of business, either the designing of plants or the estimating of the costs of producing the material. Col. Burns has been described here as "this great expert." He never had anything to do with the nitrate business. The only gentleman who has had anything to do with the atmospheric fixation of nitrogen is Col. Gaillard. He joined in the recommendations and he appeared before the Committee on Agriculture and Forestry of the Senate and testified that the cyanamid plant at Muscle Shoals had been operated for two weeks to see whether it would work in the turning out of cyanamid. It was a test operation. It cost them \$168 a ton to produce cyanamid. Mr. Gaillard, I think, testified that he was not present during the test.

On the figures presented by these men, who are to be taken care of on high salaries under this corporation, it is now proposed that the Senate of the United States, trustees for the people of the country and for their money, shall turn over property worth \$140,000,000. It is the most astounding proposal I have encountered in my legislative experience.

Mr. LENROOT. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Wisconsin.

Mr. LENROOT. There was one other witness who appeared before the committee, I think, referred to in Mr. Glasgow's letter, a certain Col. Joyes, who the committee reported made what they termed the unconscionable contract with the Alabama Power Co.

Mr. WADSWORTH. He did not testify as an expert.

Mr. SMOOT. Mr. President, I wonder whether we can not have the Members of the Senate present to listen to these facts, because I know they are facts, and let them then determine whether there shall be a majority of the body who will vote for the measure.

Mr. WADSWORTH. That would not do a bit of good. The bill provides an opportunity to get something for nothing at the expense of the people, and it will go through.

Mr. SMOOT. I am afraid that it will.

Mr. WADSWORTH. It makes more jobs, it makes more places, and distributes more public money.

I have an amendment which constitutes a desperate effort to save something for the people of the country out of this wreck. I have mentioned it before, but I have not brought it to a distinct discussion. The corporation, under the provisions of the bill as drafted, is going to take over all these properties and, as we have learned from absolutely reliable and conclusive sources, the properties will have cost \$140,000,000. If the Wilson Dam is finished according to the present estimate—which may still further increase—\$140,000,000 is a conservative estimate of the investment of the people of the United States in the enterprise.

Under the bill there is no obligation imposed upon the corporation to earn more than 5 per cent on a capitalization of \$12,500,000. They may take the property of the people, which belongs to the people and not to the Government, and run it at a vast annual loss, just the way the merchant marine is being run to-day by the Shipping Board, just the way the War Department is to-day operating barges on the Warrior River, on the Mississippi River, and on the New York State Barge Canal, at large annual losses. I propose to attempt to put the thing upon a business basis. As I said the other day, I am perfectly willing to wipe out or write off 50 per cent of the cost of the nitrate plants on the ground that they were built during the war and were necessarily exceedingly expensive, and that it would not be fair, from a strictly business standpoint, to compel them to be capitalized at the full cost. We have spent about \$100,000,000 to date.

The amendment which I propose to the bill is as to the capitalization features of it. It will provide that the corporation shall issue bonds in the first instance representing 50 per cent of the cost of the structure now finished, and that if any more structures are turned over to it or more building is done, including the dam itself, more bonds shall be issued, but in that case the bonds shall be equal to the actual expenditure; that such bonds shall bear 5 per cent interest; and that if at the end of any fiscal year this business corporation has not earned a sufficient sum to pay interest upon the outstanding bonds, it shall forthwith cease operations and shall not resume until so authorized by the Congress. Assuming a cost of \$100,000,000 up to date, the initial bond issue would be \$50,000,000 under my amendment. If the dam and its subsidiary works and power houses are turned over upon completion three years from now to the corporation, then the corporation must issue additional bonds covering the completed cost of the dam or any other structures or facilities that may be turned over to it. Is there a business man in the Senate who would contend against a proposal of that kind?

Mr. WOLCOTT. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Delaware.

Mr. WOLCOTT. To whom does the Senator propose that the bonds shall be issued?

Mr. WADSWORTH. To the United States Government.

Mr. WOLCOTT. From the corporation to the Government?

Mr. WADSWORTH. Yes, sir.

Mr. WOLCOTT. Under the Senator's plan what is there to restrain the corporation from meeting the 5 per cent and then charging that 5 per cent in against the operating costs of the plant, thus circumventing the purpose which the Senator's plan would have in mind?

Mr. WADSWORTH. Mr. President, this is the way in which the amendment reads in that regard:

If at the end of any fiscal year the corporation shall not have earned sums sufficient to meet the interest on said bonds as evidenced by audit of the accounts of said corporation by the Secretary of the Treasury—

They would have to corrupt the Secretary of the Treasury before they could do what the Senator from Delaware suggests they might do—

the corporation shall forthwith cease operations, and shall not resume until authorized so to do by the Congress.

Mr. WOLCOTT. Of course, the Senator means the corporation must have earned net enough to pay.

Mr. WADSWORTH. Yes; net.

Mr. WOLCOTT. Does the Senator's amendment cover that? Does it provide that the net earnings must be 5 per cent?

Mr. WADSWORTH. That is a good suggestion of the Senator from Delaware. I will consider adding the word "net."

However, here is the situation, Mr. President, and any business man can understand it. The bill comes here based upon fraudulent estimates. I do not say that they were intentionally fraudulent, and perhaps I should withdraw the word "fraudulent," but they are estimates that are entirely deceiving; they are not worth the paper on which they are written. There have been deliberately omitted in the estimates of cost the items of insurance, deterioration, interest on money yet to be spent, and the water power has been put in at one-fifth of its value. Further than that, Mr. President, common labor has been estimated at \$2.80 a day, at 35 cents an hour for an 8-hour day, whereas Gen. Taylor has testified before one of the House committees that common labor is getting \$3.60 a day in that region. The thing is so undefensible that I should think it would rile the sensibilities of even the Senators who a little while ago evidenced their support of the bill.

Mr. WOLCOTT. Will the Senator from New York yield?

Mr. WADSWORTH. I yield.

Mr. WOLCOTT. Will not the amendment which was adopted a while ago providing, if not directly, in substance, that the corporation should sell directly to the consumer increase the cost of operation?

Mr. WADSWORTH. It will increase the cost of operation.

Mr. WOLCOTT. Because that will involve the maintenance of a retail organization, so to speak.

Mr. WADSWORTH. It will involve the maintenance of a retail selling organization.

Mr. WOLCOTT. If my impression is correct, as a rule, or very frequently, the farmers who purchase fertilizer give their notes for the purchase price.

Mr. WADSWORTH. They do. Ordinarily it can not be sold to them otherwise than on notes.

Mr. WOLCOTT. So that the corporation, if it is to meet the spirit of the amendment, will have to take the notes of the farmer, which means that the corporation will have to have an additional working capital and an additional clerical force; and the adoption of the amendment would, to an extent at least, increase the cost per ton of the manufactured product.

Mr. WADSWORTH. The adoption of the amendment of the Senator from South Carolina and the Senator from Georgia will certainly increase the cost of operating the plant.

Mr. STANLEY. Will the Senator yield to me?

Mr. WADSWORTH. I yield to the Senator from Kentucky.

Mr. STANLEY. My understanding is that there is no provision in this proposed act—and its author has expressly so stated—for selling in small quantities at retail, for the reason that it was desired to exclude the item of a retail agency.

Mr. WOLCOTT. The Senator from Kentucky could not have been present when the Senate adopted the amendment to which I have referred.

Mr. STANLEY. I was here when the amendment was adopted.

Mr. WOLCOTT. I say the spirit of the amendment is that the corporation shall sell to the consumer.

Mr. WADSWORTH. That is retail business.

Mr. WOLCOTT. If it does not mean that, it means nothing.

Mr. STANLEY. The Senator from South Carolina stated—and it is true—that it was anticipated under the amendment that a great number of farmers would buy the fertilizer in large quantities; in carload lots, for instance. The amendment was designed to enable the farmer, if he cared to do so, to buy in large quantities directly from the producer. There is no purpose of starting a retail agency.

Mr. WOLCOTT. Will the Senator from New York yield to me further?

Mr. WADSWORTH. I yield.

Mr. WOLCOTT. I think if the corporation is to be set up to do a manufacturing business it is entirely proper, in fact it is desirable, that it should be permitted to sell directly to the consumer and thus eliminate the middleman, who stands between the manufacturer and the consumer of fertilizers; but the fact remains, if that desirable thing shall be done, that the cost per ton will necessarily be increased by the doing of that very desirable thing.

Mr. STANLEY. Mr. President, the Senator from Delaware did not apprehend what I meant to say. The conditions governing the sale of fertilizers are such that great quantities of the fertilizer can go to the warehouse directly without the intervention of any retail agency. The users of the fertilizer buy it in large quantities. A farmer who tills several hundred acres of land can use a carload, or several farmers together can secure carload lots. There are cooperative associations all over the Southern States and elsewhere that use the character of fertilizer which will be produced and that will be able to buy directly from the plant. It will not be necessary to go to the additional expense of establishing retail selling agencies in order to reach the consumer.

Mr. WADSWORTH. This is a matter upon which we have no testimony whatsoever; but there are a number of Senators who do not care whether there is any testimony regarding it. We are acting absolutely in the dark. The Senator from Kentucky indicates that there will be no intermediate cost in shipping fertilizer from the Muscle Shoals plant by carload lots direct to the consumer. There will be the cost of collection, for it is not nearly so cheap to make 10,000 collections as it is 10. How much that cost is going to be nobody knows. It is very easy to vote to do these things with other people's money; to put \$140,000,000 into the hands of a corporation and not even know what kind of business they are going to do; but there is no Senator here who would put his own money in this venture.

Mr. KING. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Utah.

Mr. KING. With the permission of the Senator, I should like to ask if selling direct to the consumer would not involve necessarily the construction of large storehouses for the purpose of caring for the product and holding it until it may be called for from time to time by agriculturists throughout the United States?

Mr. WADSWORTH. I do not know.

Mr. KING. And if it would not necessitate a large administrative force?

Mr. WADSWORTH. I do not know.

Mr. KING. And would not the spirit, to use the expression of the Senator from Delaware, of the amendment recently adopted, if not the letter of it, really require the placing of the product at the disposal of the small farmer rather than at the disposal of cooperative organizations such as suggested by the Senator from Kentucky? Would not the plan contemplated by the amendment impose upon the corporation the expense of thousands and hundreds of thousands of dollars per annum to provide selling agencies for the purpose of distributing the product?

Let me say to the Senator before he answers the question, if he cares to answer it, that I have heard suggestions made from time to time that in anticipation of the passage of this bill the Department of Agriculture, or at least some persons directly or indirectly connected with the Department of Agriculture, are already arranging for the distribution, through the Farm Bureau agencies in the various counties throughout the States, of the product of the Muscle Shoals plant. So unquestionably a little later on, if this bill shall pass, the effort will be made to tie the Agricultural Department to the corporation and to use various agencies of the Government to distribute the product to the ultimate consumer, to every farmer in every section of the United States, and thousands of employees of the Government—and many more will be added to the roll—will be utilized for that purpose.

Mr. WADSWORTH. Mr. President, I do not think the Senate realizes the extent of this proposal. It is staggering in its possibilities. The corporation can set up under the terms of this

bill the greatest Government monopoly in the world. It can crush and destroy anybody and everybody, and it can spend just as much of the taxpayers' money as it desires to spend for any purpose, so long as it can persuade Congresses of the future to make appropriations to meet the deficiencies. Senators all know how difficult it is to deny a deficiency item after Congress has authorized an undertaking.

Mr. WOLCOTT. Mr. President, did the Senator ever know of a deficiency item that was disallowed by Congress?

Mr. WADSWORTH. Not in my recollection, and especially when Congress has authorized a certain project to be carried on.

Mr. WOLCOTT. That is what I mean. I have been a Member of Congress, of course, only a comparatively short time; but I was wondering the other day if there was any instance in the whole history of the congressional legislation of this country when Congress has declined to authorize a deficiency item incurred by an authorized project or venture. May I ask the Senator from Utah [Mr. SMOOT] if he knows of any such instance?

Mr. SMOOT. Not during the last 18 years, I will say to the Senator.

Mr. WOLCOTT. That covers the period of the Senator's service?

Mr. SMOOT. Yes.

Mr. WOLCOTT. So I think I am safe in saying that if the nitrate project at Muscle Shoals shall be adopted as a governmental project, we will be in that business and will hereafter pay all the bills, whether they are authorized in the first instance, or whether they come to us by way of a deficit or a deficiency.

Mr. WADSWORTH. We will do that unless my amendment is adopted stopping automatically the operation of the corporation when it becomes unable to pay its debts.

Mr. WOLCOTT. Then would we not, may I suggest to the Senator from New York, be in this situation: We would have the same arguments put forward here in this body to revive the operation of the corporation that we are hearing in connection with the proposition to originate it, and, on top of that, there will be the additional argument that we have invested \$50,000,000 more and can not let it go? Would not Congress, notwithstanding the safeguard the Senator's amendment seeks to throw about this proposal, be compelled to continue it? We would be helpless to stop it.

Mr. WADSWORTH. Mr. President, the suggestion of the Senator from Delaware brings up a great many possibilities, and I dare say that his forecast is an accurate one; but, nevertheless, I should like to see the evil day postponed by the adoption of the amendment. The same argument the Senator says will be produced 10 years from now is being advanced to-day in the Senate. The argument is, "We have invested all this money and therefore we must not stop spending money. The only way to go on is to go on and spend more," and nobody seems to care whether it is throwing good money after bad or not.

Mr. SMOOT. And after we put \$140,000,000 in the plant, then it will be said "certainly we should not lose that amount."

Mr. WADSWORTH. Yes; it will be said that we need a hundred million dollars more.

Mr. SMOOT. They will want \$140,000,000 more.

Mr. POINDEXTER. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Washington.

Mr. POINDEXTER. The Senator says his amendment will automatically stop the operation of the corporation when it becomes unable to pay its debts; but, under the operation of the general principle just stated by the Senator from Delaware, the Government then would have to pay its debts, for the debts which caused the corporation to cease its activities would then become a deficit, and the Government would have to pay them regardless of their amount.

Mr. LENROOT. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to ask the Senator from New York whether he remembers the fact that the Glasgow letter, which he holds in his hand, recommends that two and a half million dollars of the twelve and a half million dollars shall be set aside for the purpose of paying losses in the first three years of the operation of the plant?

Mr. WADSWORTH. Certainly; that is while the plant is being operated by steam power. It is estimated that they are going to lose two and a half million dollars for the first three years by running on steam power. We all know that the dam will not be finished for three years; and yet the majority of the Senate persists in going ahead and incurring a loss of two and a half million dollars to the taxpayers of the United States.

They like to go ahead because the going looks good just at this particular time.

Mr. KENYON. Mr. President, I presume when the amendment to the sundry civil bill providing an appropriation of \$10,000,000 for this dam is proposed it will be argued that we should adopt such an amendment because of the passage of this bill.

Mr. WADSWORTH. Certainly; the argument will be that this corporation bill having been acted upon favorably, we must appropriate \$10,000,000 for the dam. There is no end to the thing. It runs in a vicious circle, and at every point in the circle the taxpayer is fleeced.

Mr. STANLEY. Mr. President, will the Senator yield?

Mr. WADSWORTH. I had hoped to proceed with my remarks. They will not be very long. I hope to get some action on this amendment.

Mr. STANLEY. Just for this remark: The Senator made the statement that it is admitted that the plant would lose \$2,500,000 the first three years in the event it were operated with steam power. Would the Senator mind telling me on what basis he makes that statement? I do not mean to question the statement, but I should like to know upon what testimony he bases it.

Mr. WADSWORTH. I can not turn to it at this moment.

Mr. LENROOT. I have it—not the \$2,500,000, but this is what Mr. Glasgow says.

Mr. WADSWORTH. The inference is that they will lose it.

Mr. LENROOT (reading)—

In common with the creation of any new industry, the Muscle Shoals enterprise must sustain initial losses. These are provided for by the "general purposes fund," described in paragraph 20.

And paragraph 20 sets aside \$2,500,000 for this purpose.

Mr. WADSWORTH. They estimate that that is necessary to cover the probable losses.

Mr. STANLEY. That is, in the event of loss.

Mr. WADSWORTH. They estimate that that is a necessary sum to be set aside.

Mr. STANLEY. Is that from the Glasgow letter?

Mr. LENROOT. Yes.

Mr. WADSWORTH. Mind you, may I say to the Senator from Kentucky, we do not know anything about this thing except what Mr. Glasgow and his colleagues have told us. There is no other testimony about dollars and cents.

Mr. STANLEY. In that connection, Mr. Glasgow makes the calculation that we will make \$2,900,000 by operating this plant without steam power.

Mr. WADSWORTH. No; with water power.

Mr. STANLEY. With water power; that is what I say.

Mr. WADSWORTH. And when he did that he left out all those items that I reminded the Senator of a moment ago, and which every business man knows can not be left out, to say nothing of taxes. That estimate is not worth the paper it is written on.

Mr. President, there is just one more phase of the dollars-and-cents side to which I should like to refer.

There appeared upon my desk yesterday a memorandum submitted by the Koppers Co., builders of by-product coke and gas oven plants, benzol-recovery plants, and tar-distilling plants, its address being Union Arcade, Pittsburgh, Pa. I do not know anything about this concern, but I imagine that a good many Senators have received this same memorandum, having to do with the production of ammonium sulphate in by-product coke ovens.

I find some very interesting statements here which bear out in part, at least, some of the testimony before the committee as given by Dr. Whitney, of the Agricultural Department. It has a very distinct bearing upon the possibilities of this Government corporation ever being able to make a penny, even if they do underestimate labor by 80 cents a day, as they have done; even if they do cut their water-power costs by five, as they have done; even if they do leave out insurance, as they have done; even if they do leave out deterioration, as they have done; and even if they do leave out interest on money still to be spent, as they have done. They have left out all those things, and with those out I do not think they can make a profit.

I find here that this memorandum states, and I imagine the figures are reliable:

The by-product coke industry is now the principal producer of ammonium sulphate, which is one of its most important by-products. The American industry is now making about 400,000 tons of ammonium sulphate per year.

Mr. WILLIAMS. Mr. President, I have just come in, and I have not caught the connection. Who is saying all of this that the Senator is reading?

Mr. WADSWORTH. This is a memorandum which has been sent to several Senators, I think—one appeared upon my desk—by a concern which manufactures by-product coke ovens.

Mr. WILLIAMS. And who would be competitors of this Muscle Shoals concern in the market?

Mr. WADSWORTH. I assume so.

Mr. WILLIAMS. Yes.

Mr. WADSWORTH. Still, it has some bearing upon whether this concern of ours, the United States Government, can meet this competition.

Mr. WILLIAMS. Oh, there is no doubt about it. It has an immense bearing if you take it unbiased, or if you believe it is true, either one.

Mr. WADSWORTH. It is true, because that figure of 400,000 tons is about 100,000 tons less than Dr. Whitney, of the Department of Agriculture, testified was being produced in this country this year. He testified to 500,000 tons, and he estimates that within 10 years the production will rise to 900,000 tons of ammonium sulphate annually, upon which this plant is dependent, and it will all be produced as the by-product of coke ovens.

Mr. WILLIAMS. Mr. President, if that be true—and of course I am not disputing the superior information of the Senator from New York; I know him so well, and I know so well his habits of inquiry—but if that be true, then these people in a free and competitive market with the Muscle Shoals corporation could beat them to a finish, could they not?

Mr. WADSWORTH. I think so.

Mr. WILLIAMS. Now, if they could beat them to a finish, whence the anxiety of the Senator from New York to keep them from having an opportunity to compete?

Mr. WADSWORTH. Mr. President, I have some anxiety for the taxpayers of this country, the people who contribute into the Treasury the money that is going to be spilled out and wasted in losing money in this corporation. We have put in \$100,000,000 already.

Mr. WILLIAMS. Do I understand that the Senator's only motive, then, is the amount of the appropriation?

Mr. WADSWORTH. No; my motive is, if I can, to prevent the Government going into a commercial business in which it is bound to lose money.

Mr. WILLIAMS. I beg the Senator's pardon, but the Government, by his own statement, will not lose money. It may lose sales to the farmers and other people, but in the meanwhile it will be making munitions of war.

Mr. WADSWORTH. No; it will not be making munitions of war. How can it make munitions of war if the plant is going to be fixed over to make ammonium sulphate in form to be put into fertilizer?

Mr. WILLIAMS. Ah! It will not be fixed to make nothing but that. It will be fixed to make that in a certain sense, but it will not be fixed to do nothing except that.

Mr. WADSWORTH. That is true.

Mr. WILLIAMS. And the Senator is not going to tell me, he and I having the degree of mutual confidence in one another that we have, that this plant will be helpless to do anything except that.

Mr. WADSWORTH. Oh, no; I do not mean that.

Mr. WILLIAMS. The Senator is not going to tell me that.

Mr. WADSWORTH. No.

Mr. WILLIAMS. Now, the prime object of it all is to make this thing for the Government as a matter of military defense.

Mr. WADSWORTH. No; I do not grant that assumption.

Mr. WILLIAMS. And all the balance of it is what we might call by-product. Now, suppose they lose on the by-product. Why should the Senator be so uneasy, representing all these people who he says are going to make the by-product cheaper—

Mr. WADSWORTH. I do not represent anybody that is going to make the by-product. I do not think there is a coke oven in my State.

Mr. WILLIAMS. I beg the Senator's pardon. I did not mean representing them; I meant quoting from them.

Mr. WADSWORTH. Very well.

Mr. WILLIAMS. In the Senator's argument he has quoted from all those people. When I said "representing," I did not mean that he was representing them in any personal or political relation. I merely meant that his argument was representing them, and his argument so far has represented them. Now, why should he be so uneasy about them, if this is such an easy game?

Mr. WADSWORTH. That is what it is meant to be.

Mr. WILLIAMS. Yes; and if it is so easy that they can whip it to a finish in the first six months of competition, why worry about it? Now, really, back of it all is there not some degree of doubt in the Senator's mind as to whether they could whip them to death?

Mr. WADSWORTH. Unless the Government subsidizes this plant, subsidizes the commercial business into which it is en-

tering, I do not believe it can meet the competition of the by-product coke ovens. Of course, it can meet any kind of competition anywhere if it is willing to subsidize itself.

Mr. WILLIAMS. Oh, there is not any doubt about that, and as to that I agree quite with the Senator—that whenever the Government chooses to go into business and exercise its sovereign power against private industry, the Government must succeed and private industry must go to the wall; but that is not the question here. After all is said and after all is done, suppose we should have another war. I do not want any more. You do not want any more. Nobody does; but suppose we should. Where are you going to find the explosive stuff that is necessary to carry it on unless the Government is going to have it in advance?

The Senator's argument reminds me just a little bit of an overseer I had on a plantation once. He was trying to prove to me that it was cheaper to hire men at \$2.50 a bale to haul cotton to the market than it was to use my own wages squad and my own wagons and my own mules. He computed how much the wear and tear upon my wagons was, and how much it would cost to feed and hire my mules at so much a day—of course, they were not costing me that, because I owned the mules—and how much the wages hands would cost per day if I had to hire them; and after he got through with it all I said, "John, the truth about this is that if I pursue your policy I will be \$250 cash out of pocket, and if I do not pursue it I will save the cash."

Now, the Senator's chief quarrel with this is that the Government does not count the interest on the plant.

Mr. WADSWORTH. That is only one of several items.

Mr. WILLIAMS. And that the Government does not count what it has actually supplied of one description or another, and especially interest on the plant, and the dividends that might be gained by private industry; and yet we have that thing there, and we have nearly completed it, and it requires a few more dollars, comparatively, to put it into operation.

Mr. WADSWORTH. Mr. President, I do not know where I left off. I was discussing the possibility of this enterprise competing with the by-product coke ovens. I do not think it can do it unless the Government is willing to subsidize the plant; in other words, unless we are all willing, as Members of the Congress, as trustees of the funds of the people, to appropriate money every year to meet deficits in the management of this plant.

The Senator from Mississippi said a good deal about preparedness. This plant will produce about 110,000 tons of ammonium sulphate per year. That is the product which will be the most valuable in the manufacture of explosives. That amount per year would not be one-twentieth, one-thirtieth, of what would be necessary to supply the armies of the United States for a year in a war anything like the last one.

Let me suggest to the Senator that, conceding, as I think he must, that this plant can not produce ammonium sulphate as cheaply as the by-product coke ovens, it must therefore be necessary to subsidize it, to permit it to lose money, and to pay it in deficiency appropriations. The instant you do that, and establish the policy of a Government subsidized commercial business, no one else will go into the business. You will not get another coke oven built. You will not get anybody else to go into the business of atmospheric fixation of nitrogen. Why would they, if they are going to be met with such competition? When you have done that, you have reduced the resources of the United States for its national defense down to the Government plant alone, or what the Government is willing to let live elsewhere.

I am just as much a devotee of preparedness as the Senator from Mississippi, and perhaps even more, upon occasion, and as a devotee of preparedness in this country I say that this bill as drawn strikes a deadly blow against it, because it discourages private industry from branching out and increasing its business, those industries upon which the Government must, in the long run, depend in time of war for the great bulk of its supplies. You never can get a Government monopoly large enough in time of peace to produce all the munitions of war needed in time of war.

Mr. WILLIAMS. Mr. President, I quite agree with that; nor do I desire to see that done. If we could get a Government monopoly large enough to produce everything the United States Government would need in the shape of explosives in time of war, we would have a gigantic plant which would overshadow the entire country. But what I am thinking is that the Government itself should have somewhere a producer of these things that should furnish a productive element to stop and check private profiteering.

I am quite willing to agree with the Senator from New York that this plant can not possibly produce all the explosives the

Government of the United States might need in another World War. I am quite willing to agree with him that it could not produce over one-tenth of what we might need. I think he said one-twelfth or one-twentieth. But let that go as it may. The Senator must understand the immense importance of having somebody in the market producing at the least price that the Government can secure the supplies that the Government must have for war purposes, and thereby holding a check upon private profiteering in this business.

The Senator might say in answer to that that the private companies producing all these things which the Government might need would compete with one another to a sufficient point to obviate the objection I have just made. But the history of the late war shows that that is not true, and a knowledge of human nature also shows that it is not true.

Outside of what this plant can give incidentally to the agriculture of the country, there is the point that they can make these explosives for the Government and can ascertain what their cost is, and that that cost price must have its influence in the competitive market if we ever go to war.

Mr. WADSWORTH. Mr. President, I offer the amendment.

Mr. STANLEY. May I ask the Senator from New York a question which I think is very vital to this discussion?

Mr. WADSWORTH. Certainly.

Mr. STANLEY. What does the Senator from New York consider the cost of production of a ton of sulphate of ammonia by a by-product coke oven? What is the cost of the production in a coke oven?

Mr. WADSWORTH. I asked that question of the Senator from Kentucky about a week ago, and he gave it to me as about 16 cents a pound, as I recollect.

Mr. STANLEY. I beg the Senator's pardon; I said there were about 16 pounds of sulphate of ammonia in a ton of coke. In reducing a ton of coal to coke there is exhaled from the coal in the process, among other things, 16 pounds of sulphate of ammonia.

Mr. WADSWORTH. Does the Senator contend that this plant can produce it as cheaply as a by-product coke oven?

Mr. STANLEY. I think that is the gist of the whole thing. I contend that nobody knows what it costs to produce a ton of sulphate of ammonia.

Mr. WADSWORTH. Why did the Senator ask me, then?

Mr. STANLEY. Because I say I do not know. I do not believe it is ascertainable, but I understood the Senator to say that we could not produce a ton of sulphate of ammonia in this plant as cheaply as they produce it in a coke oven. If the Senator made that statement, he would have to know, a priori, what the cost was, or he could not have made the comparison.

Mr. WADSWORTH. Mr. President, of course I am not in either the atmospheric fixation of nitrogen business or the coke-oven business; but no one can tell me that this plant, built as it is, and with this cyanamid process, can turn out ammonium sulphate, in a legitimate business way, as cheaply as a by-product coke oven can, which turns it out automatically. The Government must have had some such idea as that in mind, because it urgently invited industries all over the country, where facilities were available, to build by-product coke ovens, and hundreds of them were built, and the Government got large amounts of ammonium sulphate from those coke ovens. The indications are that there will be no more beehive ovens built in this country, or very few, the value of the by-product ovens being so much more because they produce all these by-products.

Mr. STANLEY. It is 50 per cent greater.

Mr. WADSWORTH. Fifty per cent greater. Of course, the Government can compete with them by extending a subsidy to this corporation. If it does that, then it stops any future development of the by-product coke industry in the manufacture of ammonium sulphate, and you have done an injury to preparedness rather than rendered help, because the Government can not make all these things itself.

My amendment is merely for the purpose of securing this corporation upon a business foundation and seeing to it that it conducts its business in a way at least approximating the way that individuals are compelled to conduct their business; in other words, to earn something on the investment; that is all. Then it will not destroy other businesses, and it will not rob the taxpayers.

Mr. KING. Mr. President, if I correctly understood the position of the able Senator from Mississippi [Mr. WILLIAMS], he would justify the measure before us upon the theory that the Federal Government should have a check upon those who produce commodities which it is compelled to purchase. The Government, in times of war at least, requires explosives, and therefore in order to prevent profiteering in that commodity it should construct powder plants and explosive factories and manufacture not only in war times but in peace times powder

and other explosives. There is much to be said in favor of the proposition that the Government should manufacture war munitions and explosives for its own use. However, I think experience has demonstrated that economies are not obtained by governmental ownership and operation of plants and factories for the manufacture of powder or war munitions. The recent experience of the Government in the manufacture of airplanes, ordnance, and other products required by it in the prosecution of the war furnish no argument in support of the proposition that money may be saved to the Government by its undertaking these various enterprises. The Ordnance Bureau of the Government literally spent billions of dollars, and it can not be contended that its operations were satisfactory in any particular. There was not only lack of achievement, but there was waste and inefficiency.

Reference has been made to the Shipping Board as an illustration of the waste and extravagance and incompetency which attend governmental ownership or control or operation of those matters which properly come within the domain of private endeavor. Of course, there are some undertakings which must be controlled by the Government. But even those matters which are purely of a governmental character are controlled and directed at great cost and with results entirely disproportionate to the benefits derived. The record of the United States would not seem to indicate the wisdom of maintaining large governmental manufacturing plants for the production of explosives in peace times. If explosives and war material are produced in excess of the requirements of the Government in peace times, they are either wasted or they must be thrown upon the market and be absorbed in the commercial transactions of the people. Even if the Government in war time erects plants for the manufacture of powder and other explosives, it is questionable whether such plants should be operated in peace times other than for the production of a sufficient quantity of explosives for the peace requirements of the country.

It is a matter of common knowledge that neither in war times nor in peace times can the Government operate munition plants as cheaply as can individuals or corporations. The frightful expense of bureaucracy and Government operation and control of business is revealed in substantially everything which the Government undertakes. Government in the United States is a very costly undertaking. Our cities and States, and the Federal Government itself, are burdened in a most oppressive manner in order to obtain sufficient revenue to meet current expenses. We have in this country a bureaucracy which puts to shame the bureaucratic forms which we so often criticize in other countries, and if the Federal Government, in addition to the discharge of legitimate functions of government, shall undertake business operations and engage in commercial activities, the army of Federal employees will be increased beyond number, and the oppressive burdens of the present and the past will be regarded as but silken threads measured by the heavy clanking chains which a triumphant bureaucracy, with its attendant evils and vices and extravagances and burdens, will press upon the people.

Democracy means a government of the people, not a government of officeholders and a government for and by officeholders. A democracy does not mean a government which controls the private business of the people or which enters into those fields of activity which must, among a progressive and enlightened people, engage the efforts of individuals. It is true we are drifting toward paternalistic government, and socialistic schemes are being devised and advocated with earnestness, and persistent efforts are made to secure their adoption by the Government. Following war, and during periods of readjustment and when business is disordered and discontent is abroad in the land, clamorous appeals for paternalistic propositions become more frequent, and those appeals are often pressed with a zeal, and, indeed, with a fury that make them well-nigh irresistible.

We should examine with the utmost care propositions which involve a departure from the paths of safety, which commit the Government to intervention in enterprises which in the past have been the concern of private endeavor. If the position of the distinguished Senator from Mississippi is correct, and the Government should engage in business undertakings for the purpose of checking profiteering in those articles or commodities which the Government from time to time requires, then it can not halt when it shall have constructed plants to manufacture explosives.

The Government requires iron and steel. It is known that most of the iron mines in the United States are owned by a limited number of individuals and corporations. Shall the Government acquire iron mines and operate them in order to hold a check upon those who mine and sell iron ore? Shall it erect

steel plants for the purpose of producing the steel required for the battleships and in the construction of guns and other munitions of war? The Government requires clothing for the Army and Navy. In order to prevent extortionate prices being charged by the manufacturer of cloth, wool, and cotton, shall the Government construct woolen factories and cotton factories and other plants in order to produce the clothing required? If this argument be valid, then the Government likewise, in order to keep a check upon the price of wool, should engage in the sheep business, and that would require the ownership of lands, the erection of warehouses to protect the wool, and a multitude of other incidental and ancillary enterprises. Shoe factories would be required to check profiteering in the sale of shoes. Lead and copper are required.

Therefore, in this view the Government would be required to operate lead and copper properties and erect smelters to treat the ores. It seems to me the argument of the Senator proves too much. If carried out logically, it would commit the Government to practically every undertaking which commands the attention of the American people.

Mr. President, I am as anxious as any Senator that agriculturists shall obtain fertilizer at as cheap a price as possible. I have no sympathy with individuals or corporations who try to restrain trade or prevent or destroy competition or form trusts and monopolies. Upon a number of occasions in this Chamber I have denounced trusts and corporations which seek to prevent competition. I have urged that the Sherman antitrust law should be strengthened, and that, as amended, it should be vigorously enforced. I believe in the competitive principle and can not too strongly condemn those who seek to destroy it.

I have repeatedly declared that if trusts and combinations in restraint of trade and organizations for the curtailment of production and the destruction of competition were permitted to go unchecked, it would force a change in our economic policy and lead to the assertion by the Federal Government of a drastic and perhaps oppressive control over the private enterprises of the American people. Undoubtedly, during the war, trusts and combinations rather brazenly preyed upon the people. The Sherman antitrust law and the Clayton Act and the Federal Trade Commission act, if vigorously enforced, can do much to free the fields of private endeavor and of business activity from combinations in restraint of trade or which seek to prevent competition. If there are fertilizer trusts, they should be prosecuted, and all other combinations or organizations which are denounced by statute should be proceeded against. The States should vigorously act against combinations of the character referred to. The Federal Government and the State governments are not impotent to deal with trusts and conspiracies in restraint of trade. Those who violate the law should be prosecuted and fined and imprisoned, and offending corporations should be dissolved.

Mr. President, in my opinion the passage of the measure before us will not only be unwise but it will constitute a dangerous precedent. Moreover, no benefit would result to the American people. Those who believe that this measure, if it becomes a law, will prove of benefit to the agricultural interests are, in my opinion, mistaken. If the proposition had been submitted that the American people were to spend at Muscle Shoals from \$150,000,000 to \$175,000,000, as they will be compelled to expend if this bill becomes a law, I feel sure that but a small per cent of the electors would have supported the same. Everyone recognizes the importance of agriculture and appreciates the disadvantages to which the farmers are subjected. All students of history know that the prosperity of the State and the progress of the people are dependent upon the agriculturists. Their prosperity means national prosperity. Whatever makes for their welfare inures to the advantage of all, and no person who loves his country will interpose obstacles to the happiness and prosperity of the farming classes of our country.

The eloquent statements made by the Senator from South Carolina [Mr. SMITH] with respect to the importance of agriculture, and the hardships so often encountered by the farmers, find a ready response in my heart. If there is any class of our citizenship which deserves prosperity it is those who produce from the soil those things essential to the life of the people.

There are too many parasites in society—too many who unduly profit upon the toil and labor of the farmer. I am anxious for the workingmen to not only be well compensated but liberally paid for their labors, and I sincerely desire that the agriculturists throughout our broad land shall reap golden harvests as the result of their labors and the days and night of arduous toil which they must put forth in order to harvest their products. If this bill would benefit the farmers, I should be constrained to look upon it in an entirely different light, notwith-

standing my belief that it will be regarded as a precedent in the immediate future, and in years to come, for dangerous and destructive legislation.

The proponents of this measure assume that the nitrate plant, if operated by the Government, will reduce the cost of fertilizer to the American farmer. The record, in my opinion, disproves their position. The plant, after a hundred and fifty or a hundred and seventy-five millions of dollars shall have been expended, will produce but a very small per cent of the fertilizer required by American agriculturists. Indeed, the per cent will be so small as to have but little, if any, influence upon the price in the market. It is my firm belief that the product produced by this plant can not be sold at the market price which will then obtain, in competition with fertilizers produced by private corporations. The Treasury of the United States will be called upon annually to meet large deficits that will result from the operation of this plant by the Government.

In this way, instead of cheapening the product, its price will be increased. The cost of production by the Government would be so much greater than the cost of producing the fertilizer by private enterprise that there may be a tendency to increase the cost in order to approximate more nearly the level of the Government cost. Of course, the Treasury of the United States will be inexhaustible, and recourse will be had to it to meet the annual deficits which will inevitably result.

The Shipping Board knocks at the door of Congress for annual appropriations to meet its deficits, though it has had billions of dollars and has not been required to make any dividends or submit any accounting or make any returns to the Government. This plant will produce but a little more than a hundred thousand tons per annum. Private enterprise will produce many times that amount.

The demands of the farmers of the United States will call for millions of tons of fertilizer for annual consumption. This plant will not only put no check upon profiteers but, as stated, it will, in my opinion, be a burden to the taxpayers of the United States.

I stated that this measure would constitute a precedent. Senators know that there is a school of thought in our country which is demanding that the Government embark in various enterprises which are clearly within the field of private endeavor. There are radicals and socialists and various forms of political and economic thought which loudly call for the nationalization of what are demonstrated basic industries as well as other industries and enterprises which have been brought to a high standard of perfection by the genius and the industry of the American people. If the Government can build dams at an expense of millions of dollars and construct factories and manufacture explosives for commercial use and fertilizers for the agriculturists, it is manifest that demands will be made that its power extend to other lines and along other avenues.

And in this connection it is pertinent to inquire whether a policy of that character, broadly announced and from time to time executed, would not deter individuals from engaging in enterprises which the proponents of paternalistic and socialistic schemes insist the Government should enter upon; and if governmental experiment and operations in the fields of private business culminate in deficits which are met by appropriations from the Treasury, and if the Government officials, in order to control the fields in which they are operating, should actually or potentially, temporarily or otherwise, reduce prices beyond the level of fair profit, upon the understanding that the Treasury would meet the losses, unquestionably private enterprise would halt, and in some instances individuals and corporations would be driven from the business which they had honestly and earnestly striven to develop. That policy, of course, would inevitably result in many individuals and corporations being driven from the field.

Mr. STANLEY. Mr. President, will the Senator from Utah apprise me as to what private enterprise will be driven out of business by the passage of this act, assuming that we will manufacture this product at a loss and will sell it for less than the cost of production—assuming all that, what interests will be hurt?

Mr. KING. Mr. President, the hearings in the House and in the Senate indicate, as I interpret the testimony, that this plant will produce such a small proportion of the fertilizers required by the farmers of the United States that if it were manufactured at a loss and if it were sold for less than the cost of production, it would not affect in any appreciable manner any of the fertilizing companies operating in the United States.

Aside from the stupendous cost of this project, the mere production by the United States of fertilizer and its sale to the

farmers of our country would not be of so much consequence. But what I am contending is this, that this project will entail upon the people of the United States an expenditure of at least \$150,000,000, and in my opinion a sum in excess of that; but that will not be all. It will involve the loss of interest upon that amount, and in addition there will be an annual deficit which will amount to stupendous sums which the Government will be compelled to meet from taxation imposed upon the people. The fertilizer produced, if a fair interest were to be paid upon the capital invested and other factors were taken into account, which must be considered in fixing the price of the product of any plant conducted upon a business basis, will cost very much more than the price at which it will be sold by individuals and corporations who are engaged in the production of the same commodity.

The loss thus resulting must be paid by the Government. But if the Government sells the product from this plant at a loss, and as a result of so doing reduces the price in the market, there will be demands from many sections of the country for the Government to either take over the fertilizing plants in the United States or that it shall construct other plants and continue to sell their products at prices lower than those asked by private enterprises even though such a course required further appropriations by the Government to meet the resultant losses.

There is no question but what if this plant shall be constructed under this bill efforts will be made by those operating it to popularize its achievements, and therefore its product will be offered at lower prices than the market provides, though such a course will result in further drains upon the National Treasury. Demands for the nationalization of industry will be made and the burdens which the people have to bear will be ignored because those burdens will indirectly be brought before the people. They will operate much as indirect taxation operates. The people pay hundreds of millions of dollars indirectly as a result of inequitable tariff measures.

The Senator from Alabama [Mr. UNDERWOOD], as I interpret his remarks, stated in reply to a question propounded by the Senator from Minnesota [Mr. KELLOGG], that he was not certain but what it was not a function of the Federal Government to construct dams in navigable streams for the purpose of developing hydroelectric power. May I not suggest in passing that if the Government constructs dams at Muscle Shoals and develops electric energy and erects fertilizer plants, is there any reason to believe that insistent demands will not come from all parts of the country that it construct other dams and build other hydroelectric plants, and in turn follow such efforts by the erection of factories and mills and engage in all sorts of business activity? I suggest to Senators that whenever a Government embarks upon a paternalistic and socialistic policy it is impossible to foresee the result or to forecast the consequences. I confess, Mr. President, that I look with disfavor upon measures which increase the power of the Federal Government, strengthen the hands of bureaucracy, multiply the bureaus and boards and executive instrumentalities of the Federal Government, and embark the United States upon the uncertain and tempestuous seas which bear the fleets of courageous and enterprising citizens of this Republic.

I concede to the Federal Government full authority to perform its legitimate functions. I would guard with jealousy the rights of individuals and the authority and prerogatives of the States. The communism of Russia and the efforts to destroy our economic system, founded upon the recognition of the right of private ownership in property and the right of individuals to contract with respect to their mutual relations, meet with no approval at my hands. There are, of course, evils in an economic system founded upon what is called "capitalism," but that system has builded the edifice of civilization and brought about the highest standard of intellectual development. There are those who would destroy not only our political fabric, but our economic system. They would nationalize our industries, deny the right of individual ownership of property, and thrust the American people into the chaos and welter of socialism with all of its evils and banalities. We are besieged with demands for Federal interposition in almost every avenue trodden by individuals. Conditions, inevitable as a result of the war, lead to unwise demands for legislation and to the adoption of deadly and destructive policies.

If this bill becomes a law and the Government is to engage in business to check profiteering in every field of activity in which the Government may be interested, then I can see no point where the Government will cease. If that policy should be adopted, there is no end until the nationalization of industry results and our national structure is changed or destroyed.

Mr. STANLEY. Mr. President, I heartily concur in the general principles so ably and lucidly enunciated by the Senator

from Utah [Mr. KING]. I agree with the Senator from New York [Mr. WADSWORTH] that it is a pernicious principle under ordinary circumstances for the Government to engage in destructive competition with private individuals or with private business. This is not a proposition, as the Senator from Mississippi [Mr. WILLIAMS] has repeatedly said, to engage in private business or to engage in competition with men in private business. The purpose of the legislation was to secure munitions in time of war. As I understand, to secure munitions in time of war this apparatus was to produce a valuable fertilizer in time of peace. It is impossible to have the apparatus ready in time of war, as every witness and all the experts before the committee have testified, unless it is operated in time of peace, and as an incident to that operation we secure the sulphate of ammonia.

Mr. KING. Will the Senator permit an interruption?

Mr. STANLEY. Certainly.

Mr. KING. The Senator stated that the plant was constructed for the purpose of furnishing nitrates in time of war.

Mr. STANLEY. Yes.

Mr. KING. In substance, the Senator made that statement. My information is, and it is based upon the discussion here and an examination of the testimony taken before the various committees of Congress, that the plant was completed as designed, and that it was designed for the manufacture of ammonium nitrate for explosive purposes; that tests were made after its completion; and that it measured up to the highest standard of mechanical efficiency. My understanding, based upon the record, is that not only was the plant, necessary for the manufacture of ammonium nitrate, complete but that there was a steam-power plant erected by the Government at considerable cost, so that now the Government may manufacture some thirty or forty thousand tons per annum of nitrogen, just as was originally determined upon and in accordance with the plans and specifications prepared by the Government.

The object of the Government has been accomplished. It designed the plant to manufacture 40,000 tons of nitrate for explosive purposes. It has constructed such a plant. It will produce the amount called for. Nothing more is needed. If the object of the Government was to construct a plant for explosive purposes and it has the plant, why expend \$50,000,000 to \$75,000,000 more; why project the Government into other enterprises; why go on and build dams which will cost in the neighborhood of forty or fifty million dollars? Why enlarge the bill? Why add to it by several million dollars for the purpose of engaging in the manufacture of fertilizer?

Mr. WILLIAMS. The Senator must also assume that he is perfectly willing for it to be a losing project.

Mr. KING. No; I am not assuming that.

Mr. WILLIAMS. Obviously the bill is to keep it from being a losing project, to collect sufficient from the by-products and incidentally to enable the Government to make what it has need of as a military necessity without loss to the Government. The Senator would have us stop the plant just where we produce what the Government had to have at a loss instead of going further to enable the Government to produce what it needs at a profit, considering what profit it can gain upon the incidental by-products.

Mr. KING. Will the Senator from Kentucky pardon me further?

Mr. STANLEY. Certainly.

Mr. KING. Of course I do not agree with the conclusion stated by the Senator from Mississippi. The Senator from Mississippi assumes that by the expenditure of \$50,000,000 or more in the future we can manufacture something at a profit. I deny that. There is a difference between the Senator's conclusions and my own with respect to that.

I think that the Federal Government, if it engages in the manufacture of fertilizer, no matter if it spends \$50,000,000 or \$100,000,000 more, will not be able to compete with private enterprise and it will make fertilizer at a loss. The Federal Government will be just as extravagant and inefficient in this as it has been in the Shipping Board operations. It will fail as much in its manufacture and sale of fertilizers in producing a profit as it has failed in the producing of a profit in the shipping industry and in other enterprises in which the Government has engaged.

Mr. WILLIAMS. Of course the Senator knows that I think as a rule Government operation of almost anything is comparatively inefficient as compared with private enterprise, which is seeking a private profit.

Mr. KING. The Senator and I agree on that.

Mr. WILLIAMS. But if the Senator were as certain of his conclusion as he seems to be, how does the Senator account for the fact that the corridors and lobbies of the Capitol are

now filled with men interested in the private production of these products, who seem to think that it is to their interest to keep the Government from having anything to do with it? The Senator must know that the galleries and lobbies and corridors are filled with men who are attempting to influence Senators and Congressmen against this scheme.

Mr. KING. The Senator does not know that I have heard of but two persons appearing in Washington in opposition to this bill. How many have appeared for it I can not say. If I may be permitted to answer the question of the Senator from Mississippi, I would state that if there is any person engaged in the manufacture of fertilizer who anticipates that the Government, by engaging in the business as a result of the construction of this plant alone, is going to influence the price of fertilizer, that individual does not exhibit very good sense, in my judgment.

Mr. WILLIAMS. That may be, but, at the same time, I have just listened to an argument in which a Senator quoted very largely from a private enterprise that would be a competitor of the Government with regard to this by-product, and that enterprise has secured his aid, as a Senator of the United States, to exploit their views by quotations, not by anything else, of course, and we all know that those interests are around here. The Senator must know it. These interests are perhaps in the plural, and they are here upon the plea that private enterprises may be hurt by United States Government competition; yet the Senator gets up and says that no effort of the Government to produce the product can possibly hurt private enterprise, and still the private enterprises are here and obtaining a hearing solely upon the ground that they will be hurt.

Mr. KING. In order to convey my idea, let me suggest the following illustration: The Federal Government has appropriated \$3,000,000,000 or more to construct a merchant marine. I can imagine if the Senator from Mississippi were engaged in the shipping business he would object to the Federal Government being called upon to pay the millions and tens of millions of dollars of losses annually resulting from the operation by the Government of its two or three thousand ships. It is quite likely the Senator from Mississippi, if he were engaged in the shipping business, would not object if the Government constructed a war vessel and ancillary to it, constructed a boat or two as transports, which in time of peace it might use for traffic or freight purposes. He would not feel that a few boats would constitute competition that might in any manner prove harmful or disadvantageous to him.

But if the Federal Government's Treasury is to be opened to the demands of the shipping corporation for an indefinite period, and it may recoup its losses by constant appropriations from the Treasury, then, my friend from Mississippi would object to such appropriations. Now, if I may make the application of that illustration.

I do not know to whom the Senator refers when he speaks of private enterprises opposing this bill. I know what the record shows, and that is all I am speaking from. The record indicates that there are a number of by-product coke ovens in the United States which are producing approximately 500,000 tons of sulphate of ammonium per annum, and that the output will greatly increase in the future. It may be, and I take the Senator's word for it, that there are some individuals engaged in the manufacture of sulphate of ammonium from by-products who are objecting to the Federal Government engaging in the manufacture of sulphate of ammonium for fertilizing purposes. They may feel, though I do not know what their views are, that the Federal Government, if it builds this plant, may construct other plants. Then they may feel that the views of the Senator from Alabama [Mr. UNDERWOOD] may prevail, that upon all of the interstate streams other hydro-electric plants may be erected by the United States, and that the Government will be induced to erect other nitrate plants and other factories for various other purposes.

Mr. WILLIAMS. That may be the reason, and that is the reason. If I were engaged as a private shipbuilder, and the Government wanted to enter into the shipbuilding business, I might, as the Senator says, and very properly too, come to Washington to resist that upon the ground that if the Government went into the business it would ruin my business. But I would not come to Washington with that plea coming out from one corner of my mouth and with the plea at the same time coming out of the other corner of my mouth that the Government could not possibly hurt me at all in the shipbuilding business, because it cost the Government too much money. That is what I am objecting to.

I can very well understand why a man engaged in a private enterprise might object to the Government going into it, with a view that it would ruin him, but I can not understand why he

would say that and in the same breath say that the Government would lose money and that he would make money, and that in the sale of by-products, as he says about the coke ovens, that they would beat the Government to a finish. Both of those arguments can not be true; both of them can not be correct. One or the other may be. In my opinion neither is. I think the main object of the plant is to hold a check upon profiteering in war times at the expense of the Government and the people of the United States.

I think, if we find that by confining ourselves entirely to the production of explosives for war purposes we must lose money, and then agree, in order not to lose money, that we must largely add to the plant in order to produce by-products which will make money, it is no argument to say that upon the purely governmental purpose we lose. It is also no argument to say that upon the nongovernmental purpose we are coming into competition with private business.

Mr. STANLEY. Mr. President, in answer to the questions asked me by the Senator from Utah [Mr. KING], I desire to say that, in the first place, we can not lock up this plant—it is now a complete operating plant—and go back to it in 5 or 10 years and find no plant there. It is a notoriously admitted fact—it was proven in the hearings, although no proof was needed—that if you take exquisite apparatus like a nitrogen plant and paint it and lock it up and leave it for five years, you will go back and find it dismantled and obsolescent. It is in proof here by every expert who has been asked the question—though no experts were needed to furnish such proof—that if this plant were put in a stand-by condition it would take four or five hundred thousand dollars a year to protect it; that when its operation were again resumed it would take a year in which to prepare it to make one single ounce of powder, to say nothing of the great difficulty in again assembling the expert personnel.

Mr. President, it has been stated here, and it is admitted in the record, that in the first instance the plant would be operated at a loss, and Mr. Arthur Glasgow, after being discredited as a witness to prove anything, is the sole witness upon whose testimony that statement is based. In his report he does say that—

A "general-purposes fund" will be required to provide (a) for the payment prior to June 1, 1921, of operating fee and royalty, and (b) for the expense of creating the organization and the business starting at nil.

You can not make money on it from the very first day you operate, of course. He continues:

Both (a) and (b) are to be charged to "good will," which will be carried as an asset account until it is extinguished by profits.

He gives elaborate statements in the same letter in which he shows that sulphate of ammonia can be produced by the use of steam power at \$59 a ton, which is a \$10 or \$12 profit.

Mr. LENROOT. Mr. President, will the Senator from Kentucky yield to me?

Mr. STANLEY. I yield.

Mr. LENROOT. Does not Mr. Glasgow say in the same letter that those figures are academic rather than practical?

Mr. WADSWORTH. Do they not leave out all of the other elements of cost to which I referred?

Mr. STANLEY. I am not discussing the question now of whether or not the figures are academic; but when you make Mr. Glasgow your witness and say it is admitted in the record that this plant will be operated at a loss, you—not purposely, of course, but inadvertently—quote only a part of his statement, and the complete statement is to the effect that the plant will not be operated at a loss.

Mr. LENROOT. Will the Senator from Kentucky yield?

Mr. STANLEY. Certainly.

Mr. LENROOT. When Mr. Glasgow says that the figures are academic and then immediately follows with the statement that the plant will be operated at a loss, there can be but one conclusion.

Mr. STANLEY. I beg the Senator's pardon. He does not state that it will be operated at a loss. He says that it will be operated at a loss "starting at nil"; that is, in the first part of the year, and he says that the loss will be temporary. Any business will be operated at a loss for a month or a week, for it must be operated some time at least before the product can be obtained and sold.

Mr. LENROOT. Will the Senator from Kentucky yield further?

Mr. STANLEY. Certainly.

Mr. LENROOT. If the time during which there will be a loss is a month or a week, or any such short length of time as that, would a loss fund of \$2,500,000 be provided?

Mr. STANLEY. The \$2,500,000 is not provided for that purpose alone; that is a mistake.

Mr. President, there has been a cry raised here that some business will be destroyed by this proposed legislation, and again and again I have propounded the question, What business? It is a strange thing that the straw man, the bugaboo, is raised in the Senate every day that the Government is going into private business and is preparing to destroy legitimate private business; but no man can find the business, because it is not to be found. I heartily concur with all that the Senator from New York has said in regard to the Government engaging in private business. I am against the Government going into private business; I am against Government control of anything that a private individual can control under ordinary circumstances. This case, however, does not come under that category at all. Ours is the only civilized country in the world that today is not making or preparing to make nitrogen, that is not operating or preparing to operate a plant employing some process by which this essential of war can be extracted from the air, unless that government has a natural resource. To-day we are face to face with a danger that the Senate does not seem to realize, that it seems to forget in quibbling over whether this process will make cyanamid or make sulphate of ammonia at \$58 or \$60 or \$16 a ton, which consideration sinks into utter insignificance when we face the fact that war is not now any more uncertain than it was three years or four years ago. The skies are not so clear; Europe is not so peaceful; the East is not so angelic in its attitude toward us that we need not fear at any moment to hear the fierce blasts of war break on our ears. When that shall happen, unless we have the good will and support of Great Britain, our great guns are unloaded; our hundreds of millions, yea, billions, spent for all the instruments of war are comparatively worthless. The meager supply of our blast furnaces would be exhausted in a few weeks. England has the key to America's arsenal. She can lock up every pound of Chilean nitrate; she can lock up every pound of nitrate of potassium; she controls the shipping; she controls the railroads that carry that nitrate to the sea; and she controls the great trust that makes the product, and boasts that unless it can show its stockholders that it controls 80 per cent of the output it will not operate at all.

Mr. LENROOT. Will the Senator from Kentucky yield?

Mr. STANLEY. Certainly; I yield.

Mr. LENROOT. Is not the Muscle Shoals plant now completed for the manufacture of explosives?

Mr. STANLEY. It is.

Mr. LENROOT. What more is required to be done to utilize it for that purpose?

Mr. STANLEY. It must be operated to be efficient.

Mr. LENROOT. It is complete now for operation, is it not?

Mr. STANLEY. Yes, sir.

Mr. LENROOT. And is not the testimony that it can, at an expense not to exceed \$400,000 a year, be maintained constantly for the production of explosives?

Mr. STANLEY. It is not; and if it were, it would be absurd.

Mr. LENROOT. That is the testimony of Secretary Baker.

Mr. STANLEY. I beg the Senator's pardon. Mr. Scott, a member of the British munitions board; Col. Joyes; Dr. Lamb; and every expert who knew anything about it—and if he did know anything about it, he must have known that—testified as did the Secretary of War, who says that if you put this plant in a stand-by condition and leave it, in four or five years it will be worthless. Any man who ever handled machinery knows—he does not need to be an expert to know—that a machine will instantly deteriorate when it is not in use. Cover the machinery of the Muscle Shoals plant with paint, let the men who are experts in its use scatter—one east, one west, and one over the cuckoo's nest—and it is in the testimony here uncontradicted that it will take from six months to a year at infinite cost to begin the operation of the plant at all.

We need no testimony to that effect. The Senator from Wisconsin and the Senator from New York both know, if they have ever had any experience with machinery—and I assume they have, because they are versatile gentlemen—that whether it be a sewing machine or a delicate retort, if it is put in a stand-by condition and left it will immediately deteriorate.

More than that, the manufacture of high-power explosives, like the manufacture of sulphate of ammonia, is a new business. As the testimony shows, it is growing every day; new discoveries are constantly being made. The use of nitric acid as the base of smokeless powder and other explosives is only 34 years old. It is only within the last generation or two that we have used the tremendous explosives now employed. Every

other country in the world is advancing by constant use and operation of just such plants as that proposed at Muscle Shoals.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly; I yield.

Mr. WADSWORTH. Will the Senator mention one Government that has gone into the business itself?

Mr. STANLEY. The hearings show—and I will put excerpts from the hearings in the RECORD to that effect, if need be—that the nine plants of France are to be either operated by the Government or with Government assistance.

Mr. WADSWORTH. Mr. President, that is scarcely an answer.

Mr. STANLEY. The hearings show that the Japanese Government is experimenting with every known process; the hearings show and report after report of the British commission indicates that it is desirable for the Government to take such action. The Parliament of Great Britain and commissions of the British Government recommend the establishment of such plants either by assistance to private concerns or, if need be, by the Government itself.

Mr. WADSWORTH. Mr. President, will the Senator point out one Government that has itself gone into the business? This is the first proposal which I have encountered which will put a Government into the business of operating such a plant upon a commercial basis. In England, France, Germany, Norway, and Italy all such plants are run by private individuals.

Mr. STANLEY. They are built by the Government.

Mr. WADSWORTH. In some instances governmental assistance was extended in the building of the plants, but the people who have had that assistance are to pay it back to the Government and conduct the business as any other business is conducted. This is the first time I have been able to discover any proposal that the Government should do this thing itself in a commercial way.

Mr. STANLEY. There is no difference between Governments building plants and seeing that they are operated and operating them themselves.

Mr. WADSWORTH. There is a vast difference.

Mr. STANLEY. Does the Senator from New York mean to state that all the cyanamid plants of France and of Germany are run by private individuals?

Mr. WADSWORTH. They are run by private enterprise.

Mr. STANLEY. Without Government assistance and Government subsidy?

Mr. WADSWORTH. They may have had some Government assistance in building plants; but those who received such assistance are to pay back the money; that is my recollection of the matter.

Mr. STANLEY. I have not the time to read from the hearings now in detail, but I will, with the permission of the Senate, incorporate in my remarks excerpts showing the preparations which are being made by several Governments for this very purpose.

Mr. SMITH of South Carolina. Mr. President, is it not a fact that in the hearings it was stated, as I think on investigation it will be found, that the very countries the Senator from New York has named have such plants in operation; and that even where the Governments are cooperating with private individuals the Governments control all the output and regulate all the matters pertaining thereto?

Mr. WADSWORTH. I do not know what degree of control is exercised. Of course, in time of war the Government takes complete control; it takes possession of the entire output for explosive purposes; but the plants that are being developed to-day upon the most modern basis in England and in France and in other countries are being developed primarily by private enterprise.

Mr. SMITH of South Carolina. As agencies of the government.

Mr. WADSWORTH. Not necessarily as agencies of the Government; and they are not regulated by the Government in the sale of their goods, but are controlled by the Government only potentially for war purposes.

Mr. SMITH of South Carolina. I think if the Senator will investigate that he will find that the statement I have made is correct. I can not put my hand at this moment on the exact place in the testimony, but I will place in the RECORD excerpts from the testimony to that effect, if it be necessary to the argument. I do not, however, deem that it is necessary, because it does not make one particle of difference what France does or what England does or what Germany does.

Mr. WADSWORTH. They are constantly being cited as examples for us to follow.

Mr. SMITH of South Carolina. I have not cited them.

Mr. WADSWORTH. The Senator from South Carolina has done so, as has also the Senator from Kentucky.

Mr. SMITH of South Carolina. I desire to state, if the Senator from Kentucky will allow me—

Mr. STANLEY. Certainly.

Mr. SMITH of South Carolina. We should act in accordance with common sense and in accordance with governmental necessity and the necessity of the people of this country. It is for us to decide, not according to precedent or because of what other countries have done, what we shall do with the Muscle Shoals property, with the view of its benefit to agriculture and to the Government in time of war.

That is a question for us to decide—whether we are going to use this plant as the Constitution provides we shall, in time of war for the production of things to defend the country and in times of peace for the production of those things that would tend to better the conditions of living; and if, in our judgment, we see fit to do as we have done in the Agricultural Department in appropriating vast sums to stamp out diseases of cattle and to stamp out diseases of plants, if we see fit to utilize this new discovery for the purpose of benefiting agriculture, it is our duty to do it.

Of course, we can go on here and argue to the end of time as to whether or not it is a proper function of the Government to enter into private business. As a general proposition, that may not be true; but I submit that when it comes to the betterment of that class that does not manufacture, that does not bank, that goes into none of the finer and more organized forms of our domestic life, but constitutes the helpless ledrock upon which everything else depends—when there comes an exigency of circumstances that can be for their benefit, we say the Government must keep its hands off, and add a further burden to the crowd that notoriously pays the taxes and bears the burdens of modern civilization. It is that to which I object.

Mr. LENROOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Wisconsin?

Mr. STANLEY. I yield.

Mr. LENROOT. The Senator has made the statement that this is the only Government that has not gone into this matter. If he will turn to page 51 of the hearings before him, he will find that in Germany, where the industry is more highly centralized, it is all under the control of a board of directors representing the three groups of producers of fertilizers, having a board of directors consisting of four members, and the Government has one member of that board of four.

Mr. STANLEY. Mr. President, I will simply quote from the hearings.

Col. Joyes gave this matter most exhaustive study here and abroad. He said, on page 46 of the hearings:

The German Government nitrogen administrator required the gas works and coke ovens to deliver all possible by-product ammonia, but no great increase could thus be made.

The Government further increased ammonia production by requiring increases of existing cyanamid plants and construction of new ones, the Government assisting by large loans, etc., and even building out of public funds two large cyanamid plants.

France undertook the establishment of plants to produce by fixation at home nitrogen substitutes for Chilean nitrate sufficient in amount for all her home munitions manufacture.

The process selected as the backbone of this program was the cyanamid process and the plans contemplated adding to the prewar capacity (which was about 8,000 tons of nitrogen per annum) an aggregate annual production of over 50,000 tons of contained nitrogen, giving in all some 60,000 tons of nitrogen—to be available a small part before 1918, part in 1918, and all by May, 1918.

This program was largely financed by public funds, two of the nine plants being Government owned, three being Government controlled, and the others having probably some assistance in their financing.

If there is any evidence that these plants have since been turned over or given away to private institutions, I have not that evidence.

As to the argument that some private concern or private business will be destroyed—some of the people fighting this bill have sent out the map which I have in my hand. Each one of the apples on this tree represents some separate and distinct useful thing that is made from the by-products of a coke oven. The basis of paints, colors and dyes, medicines, munitions, road-building material, a thousand and one essential things—inflammable gases, toluol, and other munitions of war, all come from the coke ovens. Out of the four or five hundred different by-products of the coke oven, there is one little item of about 4 pounds of nitrogen. To say that the coke ovens of this country would be stopped because of the fact that somebody else is making this little 4 pounds of nitrogen or 15 or 16 pounds of sulphate of ammonia is absurd.

In 1919 the by-products of coke ovens approximated \$75,000,000 in value, of which sulphate of ammonia amounted to a few millions.

It is charged that these coke ovens will undersell this plant. The contention is not tenable. Nobody knows what it costs a coke oven to produce 4 pounds of nitrogen. It is a mere by-product, a mere incident to the operation. Coke is made, as everybody knows, in order to smelt iron ore, and the production of coke depends upon the production of pig iron. In 1919 there were 19,650,000 tons of coke produced in beehive ovens and 25,997,580 tons in by-product ovens, making a total of forty-five million six hundred and odd thousand tons of coke produced. Will any man say that this stupendous operation, involving billions of dollars in sales, will stop because the Government makes 40,000 tons of nitrogen or makes 200,000 tons of sulphate of ammonia? It is a mere incident. This great business would not be affected by it enough to know it.

Is it urged here—and I am not inveighing against either the iron industry or the coal industry—that the earnings of the coal and steel people have been so small in the last four years that they would be bankrupted because the Government makes a few tons of sulphate of ammonia? The truth is that the price of this product is not fixed by the coke oven at all. This by-product being a by-product, a mere incident to the manufacture, they do not start out to manufacture sulphate of ammonia. They start out to make coke, and they start making coke whenever the demand for pig iron justifies it. When the blast furnaces start the production of pig iron, the coke furnaces start to furnish the coke; and the price of sulphate of ammonia is going to be governed, outside of its use in the arts, by the price of nitrate of soda, and the price of nitrate of soda is controlled absolutely by a British trust and the greed of the Chilean Government, which now places an impost duty of \$12.53 upon the exportation of every ton of it. The reason why this bill is feared, and the only reason, is that it will furnish an accurate estimate of the real value of a ton of sulphate of ammonia, and neither the nitrate trust nor the operators of the beehive ovens nor the fertilizer trust want the world to know or want the farmer to know the cost of producing a pound of the most essential element in a complete fertilizer.

If the Government manufactures this fertilizer, as it will do, at from \$40 to \$50 a ton, and it is sold, as it has been sold for the last several years, at from \$90 to over \$100 a ton, there will be a check upon the profits of these people, there will be a protection to the farmer, and that is the reason why this bill is fought. There is no private industry, and there never will be, that can be affected by this measure. Outside of the coke ovens, the rest is garbage and tankage and dried blood and other such products that are incidental to the killing of beef or the cleansing of cities or other operations of that kind. There is no great industry in the United States that will be affected by the passage of this bill.

The VICE PRESIDENT. The Chair believes in the traditions of the Senate, and that in accordance with them the presiding officer should not take part in the discussions. On a close question of this kind, however, the Chair thinks he is entitled to have some little information. During the course of the discussion the Chair would like to know, when this plant is completed, how much it will produce in a year and how much the needs of the United States Government are.

Mr. WOLCOTT. Mr. President, I see the distinguished Senator from North Dakota [Mr. GRONNA], who is chairman of the Agricultural Committee, and the distinguished senior Senator from Alabama [Mr. UNDERWOOD], Senators on the two sides of the aisle who are in favor of this bill, present in the Chamber. I want to take the liberty of asking these two very able Senators a question.

I should like to know from the chairman of the committee whether or not, if this proposition were stripped of its preparedness feature, the Senator would think the legislation would be wise? That is to say, if it did not so happen that the product manufactured would supply a necessary ingredient for the making of explosives, but the product would be used solely as a fertilizer, would the Senator from North Dakota then advocate the passage of such a bill as this?

Mr. GRONNA. Mr. President, is the Senator asking me that question?

Mr. WOLCOTT. I should like to have the Senator answer that question; yes.

Mr. GRONNA. I am very frank to state that the primary object of operating this plant is to manufacture explosives for the Government in times of war; and, of course, it is the object and purpose to manufacture these products in times of peace in sufficient quantities to supply the Government with these products, to store them, and then to use the by-products for fertilizer.

Mr. WOLCOTT. The Senator has not answered my question. I understand, of course, what the argument is. I should be rather dull if I had not caught the drift of the argument to that extent; but I want to know, if the Senator cares to commit himself, if the plant were not a manufacturer of something that was necessary for the national defense, whether the Senator would then advocate the passage of the bill creating this plant to manufacture fertilizers only?

Mr. GRONNA. I do not think it would be possible to pass such a measure.

Mr. WOLCOTT. I take it that the Senator does not care to answer my question.

Mr. GRONNA. I shall be very glad to answer the Senator's question if I can do so.

Mr. WOLCOTT. I did not ask the Senator for an opinion as to whether it would be possible to get such a bill through the Congress. I just wanted to know the Senator's individual view, as to whether he would favor a proposition for the United States Government to construct a fertilizer plant if that plant could not at the same time make a necessary ingredient in the manufacture of explosives.

Mr. GRONNA. May I ask the Senator why he asks that question? Is it for the purpose of getting a categorical answer or my views on this bill?

Mr. WOLCOTT. I have heard some talk about this bill, I will say to the Senator, which I am trying to clear up, and I want to get the views of other Senators. I will say to the Senator that I do not know how I am going to vote on this bill. With all the time I have had at my disposal I have been studying these hearings, which has led me into somewhat of a labyrinth of technical information, and contradictory sorts of things, and I am very much at sea. Had I been called upon to vote for this bill a week and a half ago I would not have hesitated to vote for it. But as I have proceeded with it I find myself losing some of the original ardor I had. If the Senator does not care to answer the question, very well. I want to know whether it is the opinion of the Senator from North Dakota, and I would like to know also from the Senator from Alabama, that the United States ought for the first time to embark upon an enterprise which is purely commercial in its nature. I want to get the view of the Senator on that general proposition.

Mr. GRONNA. I will answer the Senator very frankly. If that were the only question involved, of course, so far as I am concerned, I would not advocate this bill. The Senator has indicated that he has been somewhat at sea as to what position to take with reference to this bill. Of course, if I possess any information which the Senator does not possess, I shall certainly be very glad to give it to him or answer any questions I can answer.

Mr. WOLCOTT. I take it that all the information is contained in the hearings, and I am trying in my feeble way to cull some of it out.

Does the Senator from Alabama [Mr. UNDERWOOD] think that if this measure were stripped of all preparedness features we ought to entertain it here at all?

Mr. UNDERWOOD. I am rather surprised that my friend, the Senator from Delaware, knowing my record as a Democrat, should ask that question. But I will answer it. I do not want to mislead him. I am glad to have the record disclose the fact. I belong to that democratic school of philosophy which believes that the Government which governs least governs best, and I have never changed my views. I do not believe, as a rule, that it is a wise thing for a Government to engage in private business. But, as I indicated on the floor to-day and yesterday, when you come to the war needs of the Government, the necessity to protect the life of the Nation, then I do not think the Government should rest its defense on either the patriotism or the cupidity of individual enterprise. It should take care of itself, and I know of no plant that is more necessary for the Government to own and control and operate than a plant that supplies the nitrogen which gives the life to a war, which gives the possibility to war, and owning that plant it ought not to sell it to individuals and take the chances of individuals having it ready for defense in time of war. It ought to own it and control it as a war machine, and as a war machine, it seems to me, it would be utter folly for it to shut it up in time of peace and let it become obsolescent, and not use it along peace lines, where it can be both useful and kept up to date; and it is only, of course, because it is a necessary part of the machinery of war that I favor the Government going into this business. But being necessary as a machinery of war, I would put it to the useful purpose of supplying the great mass of the agricultural people of this country with something which will make bread cheaper.

I think I have answered the Senator's question, and, if he will allow me, the Vice President asked a question, and I would like to have the privilege of taking a moment to answer it.

Mr. WOLCOTT. I will say to the Senator that I do not propose to submit any remarks at this time. I do not know that I shall do so at all. I was anxious to get the point of view of the Senator. If I understand the Senator correctly, it is his judgment that Senators ought to vote upon this measure, not in the interest of farmers at all, but that they ought to vote upon the measure solely with respect to the question of national preparedness?

Mr. UNDERWOOD. I would not say not in the interest of farmers at all. I say the great fundamental reason why we should operate, own, and control this plant, and the justification for it, is national defense. But I do not see, when we do own it and control it, why we should not give the benefit of the operation to the farmers. It would be in their interest.

Mr. WOLCOTT. I value the Senator's opinion very highly. It is a question in my mind as to the relative value of reasons. The Senator states that the preparedness reason is the controlling one in respect to this bill.

Mr. UNDERWOOD. That should be the first reason, of course.

Mr. WOLCOTT. The interest of farmers is secondary. Does the Senator think that if the first reason, the controlling reason, can be removed from the situation by other arrangements, the secondary reason still ought to be sufficiently potent to put through the bill?

Mr. UNDERWOOD. I do not think that question is involved, because the Government has already decided it.

Mr. WOLCOTT. If I may interrupt the Senator further, I do not know that that question is entirely decided, in my mind, at least. There is a serious question in my mind whether it is true that the safety of the United States is jeopardized unless we pass the bill.

Mr. UNDERWOOD. I can not say that the failure to pass the bill would jeopardize the safety of the country, but the failure to vitalize the nitrate plant may at some future day jeopardize the safety of the country.

Mr. WOLCOTT. Let us assume that a Senator believed that it was not necessary to continue the operation of this plant under the bill in order to preserve the United States nitrogen supply. If the Senator entertained that belief, would he, because of the fact that farmers could get nitrates under the bill, still favor the proposition?

Mr. UNDERWOOD. I have already stated to the Senator, I think very clearly, so that there can not be any question about my answer, that I am not in favor of the Government going into private business, and the only place where I am willing to have it invade private business is under the war arm of the Government, to protect the life of the Nation, which I am unwilling to leave in the hands of cupidity. I think that is a full and complete answer, and I can not assume, even for the sake of the argument, that the Government has not already engaged in this business, because it has invested in a plant variously estimated as being worth from \$80,000,000 to \$100,000,000. It is there. It is not a theory; it is a fact; we are engaged in it.

Now, if the Senator will allow me, I would like to answer the question asked by the Vice President.

Mr. WOLCOTT. I will yield the floor to the Senator.

The VICE PRESIDENT. The Senator from Alabama will pardon me if I say that the reason for my inquiry arose from the fact that in the course of this discussion I have heard several times that the plant is completed, and then I have heard that it would cost \$50,000,000 to complete it. I should like to know the fact about it.

Mr. UNDERWOOD. I think I can state without contradiction that there is a plant known as nitrate plant No. 2, which is the great, costly plant that has been completed by the Government in all its details; that it was operated by the Government for a few weeks before the armistice as an operating plant, complete, and that it demonstrated a productive capacity of 120,000 tons of this nitrogen product. The basis for the contention that it is not completed is that the dam at Muscle Shoals is not complete; \$17,000,000 have been allocated already for the building of that dam, most of which has been used. It is estimated that it will cost about \$23,000,000 or \$25,000,000 more to complete the dam. That part of the work is not complete.

The nitrate plant has a capacity of 120,000 steam horsepower. It can operate the nitrate works without the dam, but the idea is that with the dam you can make the product so much cheaper that the dam and the nitrate plant should be harnessed together.

But the Muscle Shoals Dam is not in this bill, except incidentally. Of course, there are some of us who would like to finish the dam and have it ultimately a part of this project, but it is not in the bill. It is a separate project. It is a project

which will probably come up for consideration in the sundry civil appropriation bill in a week or two, but is not directly involved in the vote on this bill.

The VICE PRESIDENT. Does the Senator know how much the Government uses of this product per year in the hour of peace?

Mr. UNDERWOOD. The Vice President means the product of the nitrate plant?

The VICE PRESIDENT. Yes.

Mr. UNDERWOOD. Very little. It really has not been operated, except for a few weeks during the war.

The VICE PRESIDENT. I do not mean as coming from that plant, but how much does the Government use of that product, obtaining it wherever it does?

Mr. UNDERWOOD. I can not answer the question, although I have seen the facts stated.

Mr. WOLCOTT. Will the Senator yield?

Mr. UNDERWOOD. Certainly.

Mr. WOLCOTT. I made some inquiry upon that very subject to-day. As I recall, the only thing that the Government uses nitrate for is the manufacture of powder in the plant at Indianhead and at Dover, N. J., and the figures given me by the Navy Department and by the War Department are that the normal consumption of nitrate of soda at the Indianhead powder plant is 5,390,000 pounds a year, which, reduced to tons, is 2,197 tons of nitrate of soda used in the manufacture of powder in the Navy plant.

In the Army plant at Dover, N. J., the ordinary peace-time consumption of nitrate of soda for the manufacture of powder is about 3,000,000 pounds, which, in terms of tons, is 1,300 tons per year. Therefore the Government uses, in the manufacture of powder in the two plants, a total of 3,497 tons of nitrate of soda, which, expressed further in terms of sulphate of ammonia, I understand to be about 2,522 tons of sulphate of ammonia used in the manufacture of powder by the Government.

Mr. UNDERWOOD. It is very small. That relates to the nitrate plant. But the Government does not manufacture all its own powder, and of course nitrogen that is used by private persons to manufacture powder for the Government could be more cheaply delivered from this plant than it could from the Chilean saltpeter, and the larger proportion of powder that is consumed by the Government is that which it obtains from private interests and not from its own Government plant. But in the last analysis I think it is fair to say that the consumption of powder in peace times by the Government is comparatively small.

Mr. LENROOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Wisconsin?

Mr. WOLCOTT. I yield the floor.

Mr. LENROOT. I want to ask the Senator from Alabama a question, because in his statement of facts I am sure he inadvertently omitted to state that, while the plant is complete for the manufacture of explosives by the use of steam power, it is not complete for the purpose of manufacturing fertilizer.

Mr. UNDERWOOD. That is true; that is, of all kinds of fertilizer. Of course, it manufactures cyanamid; it is complete for that, and that is a fertilizer itself. But there are other kinds of fertilizer which probably it will want to make, and for the other products of fertilizer it is not a complete plant.

Mr. LENROOT. It is the other kind that they expect to make commercially.

Mr. UNDERWOOD. I think they intend to make both.

Mr. KING. Mr. President, the Senator from Kentucky [Mr. STANLEY], as I understood him, discussed the great cost incident to maintaining the plant without operating it. In the hearings before the War Expenditures Committee of the House Col. John K. Clement, who was the commanding officer at the plant, expressed his opinion that the deterioration of the plant could be overcome by painting and greasing, and that this had already been done. Then he used these words:

I believe that it could be protected against any serious damage or injury from deterioration for an indefinite period.

Col. Fred H. Wagner expressed his opinion that the plant "could be completed, closed down, and held for a future emergency without maintaining an expensive organization for the purpose of operating it."

Dr. Charles L. Parsons testified as follows:

I do not see any reason why they should not be kept in reasonably good order with comparatively light expense. They should be oiled and turned over once in a while, and things of that kind. I do not see any reason why they could not be kept for years perfectly available for use at a week's notice.

That is the testimony, Mr. President, with reference to the procedure which would be adopted in the event this plant were

not completed for the manufacture of fertilizer, and it is quite apparent that there would be no deterioration; indeed, that the deterioration would be very much less than if the plant were operated.

In reply to one suggestion made by the Senator from Alabama, my recollection of the record is that the output of the plant—and I am speaking now of the nitrate for explosive purposes in peace times—would be used for commercial purposes and sold to private manufacturers of explosive materials which are used in mining and industrial pursuits. There is a large amount of dynamite used in the mines and in building operations. As I read the record, instead of the plant in peace times—and I am speaking now of the plant used for the manufacture of explosives—producing a product for the Government, it would produce a product to be sold for commercial purposes, so that in peace times its products would be entirely disposed of for commercial purposes. The nitrate supposed to be made for explosives would be sold for commercial purposes to individuals who might require them, and the fertilizer, of course, would be sold to individuals who might require it.

Mr. JONES of Washington. Mr. President, I understood the Senator from Alabama [Mr. UNDERWOOD], in answer to the inquiry of the Vice President, to state that it would cost about \$23,000,000 or \$27,000,000 additional to complete the Muscle Shoals Dam. I understood the Senator from Wisconsin [Mr. LENROOT] on yesterday to state that it would cost \$43,000,000 to complete the dam. I would like to ask the Senator from Wisconsin where the difference comes. That is a considerable difference, being some sixteen or twenty million dollars.

Mr. LENROOT. In reply to the inquiry of the Senator from Washington, I will state that I put in the Record the other day the letter of Col. Cooper, the engineer in charge of the Muscle Shoals Dam. That letter is dated November 27 of last year, wherein he stated:

The best estimate that can be made at this time of the total cost of the project, including the two lift locks and all of the navigation facilities, is around \$50,000,000.

I have understood that \$7,000,000 has been actually expended. If more than that has been expended the additional amount which will be required out of the Treasury will be the difference between the sum that has been expended and the \$50,000,000.

Mr. UNDERWOOD. I will say to the Senator that it has been roundly estimated at \$50,000,000, but when I said "complete the dam," I was referring to it as a completed project for the use of the plant. There is about \$8,000,000 that will go into dynamos and electrical machinery, which will be a surplus power that it is not necessary to put there. Of course, the contracts have already been let for the machinery that is to go on the dam to work the plant, but there is something like 200,000 or 300,000 more horsepower for which the machinery has not been provided, and in my estimate I was only including the necessary money to complete the dam to be used for this plant.

Deducting from it the money that has already been spent, \$17,000,000 that has been allocated, I think it will be found from that standpoint that my statement is correct. Of course, if we are to put in the money, and it ought to be put in in the end, that will be absolutely used to develop all the horsepower that goes over the dam, then it would cost about \$50,000,000.

Mr. JONES of Washington. I would like to ask the Senator how much has actually been spent on the plant?

Mr. UNDERWOOD. There is \$17,000,000 allocated, and I think it has all been spent except four or five million dollars.

I will say to the Senator that the hearings on the sundry civil appropriation bill will commence to-morrow, and I have an amendment to that bill to make the necessary appropriation for the completion of the dam. In order that we might not have any difference of opinion or any doubt about it, I have asked Col. Cooper, who is a great engineer and the resident engineer on the dam, to come before the Committee on Appropriations to-morrow morning and make a full statement about it, so that we may have no dispute regarding the facts. I know the Senator from Washington is a member of the committee, and I think, if he is present at the committee meeting, he will get the information in the morning more accurately than I can give it to him.

Mr. JONES of Washington. The reason why I asked the question was because of the apparent differences in the statements of facts. I wanted to have the record harmonized as much as possible.

Mr. UNDERWOOD. There is a difference between the Senator from Wisconsin and myself, and yet it is not really a difference of fact. It grows out of the angle from which we look at the proposition. I think we will have the estimate of the engi-

neers before the Committee on Appropriations in the morning and have the information then as a matter of record, coming from the engineers who are building it, so that we may have no further dispute about it.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York [Mr. WADSWORTH].

Mr. WADSWORTH. If there is to be opposition to the amendment, I should like to have the yeas and nays and to have a quorum. I do not make that suggestion now, however.

Mr. UNDERWOOD. I think we have finished the debate on it, and I do not believe it will be necessary to have a call for a quorum to vote on the amendment. Could we not agree to vote on the amendment at a quarter past 12 to-morrow and then let it go over, if the Senator wants a quorum here when the vote is taken?

Mr. WADSWORTH. I can not control the Senate nor can the Senator. I will promise the Senator not to say anything more about it.

Mr. UNDERWOOD. I ask unanimous consent that the amendment offered by the Senator from New York may be voted on at 12.15 to-morrow, and that we may take a recess now until noon to-morrow.

Mr. WADSWORTH. Would not that require the presence of a quorum?

The VICE PRESIDENT. It would not. Is there objection to voting on the amendment at 12.15 to-morrow?

Mr. KING. Will that preclude from discussing it any Senator who is not now here and who is not familiar with it?

The VICE PRESIDENT. He would have 15 minutes.

Mr. WADSWORTH. I am perfectly willing, but the amendment which I have offered is absolutely basic to the bill and there are not 15 Senators who know what it is.

Mr. UNDERWOOD. If the Senator wants to make it 12.30—

Mr. WADSWORTH. I do not suggest any time. I have finished debating it myself, mostly to empty seats.

Mr. UNDERWOOD. I merely want to reach a vote.

The VICE PRESIDENT. Is there objection to the request of the Senator from Alabama for unanimous consent?

Mr. KING. I object.

Mr. UNDERWOOD. Does the Senator from New York desire to call for a quorum this afternoon?

Mr. WADSWORTH. No; I think we had better put it over until to-morrow.

Mr. SMITH of South Carolina. Does the Senator intend to move a recess or an adjournment?

Mr. WADSWORTH. I have no objection whatever. I have finished debating this particular amendment.

Mr. KING. Let me say to the Senator; I do not intend to make any observations on it, but I think it would be unfair, with an amendment so important, to preclude any Senators who are not here and who have not heard the proposition from discussing it if they desire to do so.

Mr. McKELLAR. If any Senator desired to discuss it at that time and requested the opportunity to do so, the Senate would certainly give him the necessary time by unanimous consent.

Mr. UNDERWOOD. The Senate will meet at 12 o'clock and there will be 30 minutes available for the discussion of the amendment. I hope the Senator from Utah will not object.

Mr. KING. I ask the Senator from Alabama whether he thinks, with a proposition so important as this, it would be fair to cut off the right of Senators who are not here to discuss it?

Mr. UNDERWOOD. I certainly would not think of doing it if we had not debated it for nearly a week.

Mr. KING. I am speaking of the amendment.

Mr. UNDERWOOD. It has been debated for nearly a week.

Mr. WADSWORTH. I suppose it has been mentioned altogether for about 15 minutes in the eight days.

Mr. UNDERWOOD. If the Senator from New York does not desire the debate to close, I have nothing further to say. I thought he was through.

Mr. WADSWORTH. I am entirely through and I have made no objection to the request of the Senator from Alabama.

Mr. McKELLAR. Will the Senator from Utah agree to vote on the pending amendment at 1 o'clock to-morrow?

Mr. KING. I repeat that I do not care to make any observations respecting the matter myself, but if the Senator from Alabama thinks other Senators will desire to be heard—

Mr. UNDERWOOD. I do not think anyone will want to discuss it. I think if we fix it at a quarter past 12 that will give us time to get a quorum and it will be satisfactory to all concerned.

Mr. WADSWORTH. Do I understand that the Senator from South Carolina and the Senator from Alabama do not accept the amendment?

Mr. UNDERWOOD. Not the amendment relative to the amount of capitalization. There are some amendments which the Senator has offered that I would be willing to accept, but not this one.

Mr. WADSWORTH. I did not expect the Senator would accept it. Twelve-thirty is agreeable to me.

Mr. SMITH of South Carolina. The Senator means to vote on this particular amendment?

Mr. WADSWORTH. So far as I am concerned.

Mr. GRONNA. May I inquire if objection was made to the unanimous-consent agreement?

Mr. KING. I objected to it.

The VICE PRESIDENT. Objection is made.

RECESS.

Mr. GRONNA. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, January 12, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, January 11, 1921.

The House met at 12 o'clock noon.

Rev. H. P. Fox, pastor of Hamline Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Almighty God, our Father in heaven, we thank Thee that Thou has given unto us the privileges of citizenship in America. We pray Thee that Thou wilt help us to understand that so rare and splendid a privilege carries with it great and grave responsibilities. And we pray Thee that Thou wilt help those who are elected to official positions, that they, too, shall appreciate not only the honor of citizenship but the additional honor of official responsibility. We pray that they may be given wisdom and grace from on high, that they shall measure up to the innumerable requirements, and may discharge their functions as befitting men who are citizens of a great democracy. Bless our Nation. Bless, we pray Thee, our Chief Executive. Comfort all those who stand in places of grave responsibility and need the sustaining, strengthening hand of God.

Lead on America, we pray, toward greater achievements in the future than even the past has been. Guide and counsel her that she may be strong to do the will of God among the nations of the earth, and fulfill her high destiny. We ask it for Christ Jesus' sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

On motion of Mr. Wood of Indiana the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the legislative, executive, and judicial appropriation bill H. R. 15543, with Mr. Longworth in the chair.

Mr. WOOD of Indiana. Mr. Chairman, I am of the opinion that general debate is closed. The gentleman from Mississippi [Mr. Sisson] is not here, and I would suggest that we proceed with the reading of the bill, with the understanding that when the gentleman from Mississippi comes in, if he desires to have a little time, he may have it by unanimous consent under the five-minute rule. That will save time, and we can get along with the reading of this bill.

The CHAIRMAN. The Clerk will read the bill under the five-minute rule.

The Clerk, proceeding with the reading of the bill, read as follows:

For miscellaneous items, exclusive of labor, \$100,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word, which is not a word but the figures "\$100,000."

I do this merely for the purpose of calling attention to this item, which is, for miscellaneous items, \$100,000. They can itemize the little appropriations in this bill of \$200 or \$300, some of them as small as that, but when it gets up to a big item like \$100,000 they call it miscellaneous. "Miscellaneous" embraces everything.

From suggestions made by a number of the chairmen I had been hoping that this mode of appropriation was going to be stopped by the new Appropriations Committee; and as an humble Member of the House I want to register my protest here against this manner of appropriating the public money, "for miscellaneous items, \$100,000." And in that connection I want again to register my protest against the manner of

framing these bills in the Committee of the Whole House on the state of the Union. Here we have a bill that appropriates \$112,705,748.75, and a little handful of Members are here on the floor considering it. This is the time and this is the opportunity when, if there was anything wrong in this bill, the only way on God's earth to get it out would be right at the very time the item was read. If the item is once passed there is no chance on earth to change it, and the membership know it, except by "motion to recommit," which always fails or the defeat of the whole bill; and yet we are reading a bill of this character, taking money out of the Public Treasury by the hundreds of millions of dollars, and the new party in power that has promised so much to the people can not even furnish more than a little handful of men here to consider this measure.

Mr. MOORE of Virginia. May I ask my friend a question?

Mr. BLANTON. Why, certainly.

Mr. MOORE of Virginia. Is there any practical suggestion that the gentleman can make with a view to compelling Members to remain here if they do not care to do so?

Mr. BLANTON. My only purpose is to let the people of the country know that the men who went before them on the hustings as candidates and the representatives of candidates are not carrying out the promises they made to the people who placed them in power. Oh, they say, they are off attending committee meetings. I attended an important committee meeting this morning and also visited several departments. I want to say, as I have heard one of the greatest statesmen of the country here, the ex-Speaker, say that this is the most important committee that ever sits in the business of the House of Representatives. It is the Committee of the Whole House on the state of the Union that frames the appropriation bills, that takes the money out of the people's Treasury. They can offer whatever excuse they want to the people. You offer excuses, but the people do not swallow them.

Mr. MOORE of Virginia. May I ask the gentleman another question?

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Virginia first, because I believe what he has to say might have more substance in it than what the gentleman from Iowa might have to say. [Laughter.]

Mr. MOORE of Virginia. I only wanted to say this to the gentleman: I am fully in accord with his purpose to save money as far as we can properly do it, but I have often had some doubt as to whether a saving will be effected by having a larger number of Members present than commonly attend the meetings of the Committee of the Whole. I know, for example, that in the British House of Commons a quorum in committee of the whole as well as in the House is 40, and legislation seems to be about as carefully and maturely considered there as it is here.

Mr. BLANTON. I can answer the distinguished gentleman from Virginia.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. I ask that I may have two minutes more, just to answer the question of the gentleman from Virginia.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. BLANTON. I can answer the gentleman from Virginia by calling his attention to this fact: He has been in this committee because he stays here. He has been here and has seen questions arise in this committee, important questions concerning vital legislation and concerning big appropriations, when three-fourths of the committee present would vote an item in or out of the bill. Then in the House when you have the question put up to a final vote on the proposition and the bells ring over in our offices and a horde of Representatives come rushing over here from the House Office Building to register their vote, yea or nay, they walk in at the door and ask, "What is the vote on?" Then somebody, a page boy or a doorkeeper, gives him his version of what the proposition is, and he votes yea or nay, according to what he thinks will probably save him with his constituency, while the vote of the committee, based upon judgment and based upon understanding of the few present, is set aside by that great horde, ignorant of the question at issue, that marches over here to register their vote. This happens not once, but every Member of this House has seen that occurrence time and time again. That is why I say that the Republican Party, which has promised so much to the people of this Nation, ought to keep a quorum here at least when we are appropriating money by the millions.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.